

Joshua A. Sussberg, P.C.  
**KIRKLAND & ELLIS LLP**  
**KIRKLAND & ELLIS INTERNATIONAL LLP**  
601 Lexington Avenue  
New York, New York 10022  
Telephone: (212) 446-4800  
Facsimile: (212) 446-4900

Patrick J. Nash, Jr., P.C. (admitted *pro hac vice*)  
Ross M. Kwasteniet, P.C. (admitted *pro hac vice*)  
Christopher S. Koenig  
Dan Latona (admitted *pro hac vice*)  
**KIRKLAND & ELLIS LLP**  
**KIRKLAND & ELLIS INTERNATIONAL LLP**  
300 North LaSalle Street  
Chicago, Illinois 60654  
Telephone: (312) 862-2000  
Facsimile: (312) 862-2200

*Counsel to the Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

---

In re:

CELSIUS NETWORK LLC, *et al.*,<sup>1</sup>

Debtors.

---

)  
) Chapter 11  
)  
) Case No. 22-10964 (MG)  
)  
) (Jointly Administered)  
)

**DECLARATION OF JOEL E. COHEN IN SUPPORT  
OF CONFIRMATION OF THE JOINT CHAPTER 11 PLAN OF  
REORGANIZATION OF CELSIUS NETWORK LLC AND ITS DEBTOR AFFILIATES**

---

I, Joel E. Cohen, hereby declare under penalty of perjury that the following is true and correct to the best of my knowledge, information, and belief.

1. I am a Managing Director in the Disputes, Compliance, & Investigations group and the New York Office Leader of Stout Risius Ross, LLC (“Stout”). Stout has been engaged as the valuation advisor for the above-captioned debtors and debtors in possession (collectively, the “Debtors”), which appointment was approved pursuant to the *Order (I) Authorizing the*

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Celsius Network LLC (2148); Celsius KeyFi LLC (4414); Celsius Lending LLC (8417); Celsius Mining LLC (1387); Celsius Network Inc. (1219); Celsius Network Limited (8554); Celsius Networks Lending LLC (3390); Celsius US Holding LLC (7956); GK8 Ltd. (1209); GK8 UK Limited (0893); and GK8 USA LLC (9450). The location of Debtor Celsius Network LLC’s principal place of business and the Debtors’ service address in these chapter 11 cases is 50 Harrison Street, Suite 209F, Hoboken, New Jersey 07030.



*Retention and Employment of Stout Risius Ross, LLC as Valuation Advisor Effective as of February 21, 2023, and (II) Granting Related Relief* [Docket No. 2498].

2. I submit this declaration (this “Declaration”) in support of confirmation of the *Joint Plan of Reorganization of Celsius Network LLC and Its Debtor Affiliates* [Docket No. 3577] (as may be amended, supplemented, or otherwise modified from time to time, the “Plan”)<sup>2</sup> and in support of the *Debtors’ Memorandum of Law in Support of Confirmation of the Joint Chapter 11 Plan of Reorganization of Celsius Network LLC and Its Debtors Affiliates’ and Omnibus Reply to Objections Thereto* (the “Memorandum”), filed contemporaneously herewith.

3. Unless otherwise indicated, all facts set forth in this Declaration are based upon (a) my oversight of the Stout team as the Debtors’ valuation advisor, (b) information learned from review of relevant documents, (c) information I received from members of the Debtors’ management or other advisors, or (d) my past experience as a financial advisor and consulting expert. I am not being specifically compensated for this testimony, and Stout is receiving compensation only as a professional retained by the Debtors. If called upon to testify, I could and would competently testify to the facts set forth herein on that basis.

### **QUALIFICATIONS**

4. I am a Managing Director in the Disputes, Compliance, & Investment group and New York Office Leader of Stout. Stout is global investment bank and advisory firm with extensive experience delivering valuation analysis services to a broad range of companies, including financially distressed companies. Stout and its senior professionals have extensive experience and expertise in (a) valuation, (b) the analysis, operation restructuring, and liquidation of business, (c) forensic and fraud investigation, (d) asset tracing, and (e) investment banking.

---

<sup>2</sup> Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan, Disclosure Statement, or Memorandum, as applicable.



5. I have over twenty years of experience in the dispute, forensic, and insolvency practice areas, primarily focused on the financial services, asset management, and digital asset industries. My experience includes a number of significant cross-border insolvency and litigation matters, where I have served as financial advisor and consulting expert to fiduciaries, offshore liquidators, bankruptcy, and litigation trustees. I have assisted these clients in a variety of litigation consulting services, including asset tracing, valuation, fraud, Ponzi schemes, industry custom and practice for investment managers, and forensic analysis. I have also led several internal investigations within the context of family office, investment advisors, and various corporate structures.

6. Before joining Stout, I was a Managing Director of Murray Analytics, Inc., a professional services firm specializing in restructuring financial advisory, litigation support, and complex valuation matters. Prior to that, I was a Director at Duff & Phelps, a firm specializing in global valuation, forensic, and corporate finance advisory. Prior to joining Duff & Phelps LLC I was a Senior Vice President at Citigroup Inc., where I led internal investigations for Global Wealth Management. I received my B.A. in Economics from Rutgers University.

7. Stout was engaged by the Debtors in February 2023 to perform valuation services including (a) assisting the Debtors in the determination of the “fair value” of the Debtors’ reorganization value upon emergence (including calculation of the net asset value of certain of the Debtors’ assets) and (b) preparing valuations of certain of the Debtors’ assets as of May 31, 2023



(the “Valuation Report”).<sup>3</sup> I have been involved as a senior member of the Stout team throughout our engagement, including in the preparation and development of the Valuation Report.

### **The Valuation Report**

8. At the request of the Debtors, Stout prepared the Valuation Report, which provides for valuations of certain of the Debtors’ assets and liabilities. Certain of the valuations provided therein were utilized by the Debtors in developing the Plan and for their preparation of the Liquidation Analysis and Orderly Wind Down Analysis attached to the Disclosure Statement as Exhibit B and Exhibit C, respectively.<sup>4</sup> A copy of the Valuation Report is attached hereto as Exhibit A.

9. The Valuation Report provides a valuation opinion of certain of the Debtors’ assets and liabilities and served as an input for the Debtors to consider in developing their Plan and the restructuring transactions contained therein. The Valuation Report provides for the “fair value” of certain of the Debtors’ assets and liabilities as of May 31, 2023 (the “Valuation Date”), including: (a) the Debtors’ cryptocurrency holdings, including liquid and illiquid tokens and staked and wrapped cryptocurrency holdings; (b) the Debtors’ institutional loan portfolio; and (c) the Debtors’ alternative investments. Stout’s determination of fair value serves as an estimate of the price a market participant would have received or have been required to pay for the sale of an asset or transfer of a liability in an orderly market transaction as of May 31, 2023. The Valuation Report does not include a calculation of the net asset value of the Debtors or the valuation or analysis of the Debtors’ mining assets or business.

---

<sup>3</sup> The Valuation Report and the scope of Stout’s engagement does not include the valuation or analysis of the Debtors’ mining assets or business.

<sup>4</sup> The Liquidation Analysis included in the Disclosure Statement reflects certain discounts to the “fair value” estimates included in the Valuation Report to, among other reasons, reflect the expedited disposition that would take place in the event of a chapter 7 liquidation.



**I. Information Reviewed and Methodology of Valuation Analysis**

10. In preparing the Valuation Report, Stout, among other things: (a) reviewed certain historical financial information of the Debtors as provided by the Debtors; (b) reviewed coin reports describing the Debtors' cryptocurrency holdings as of May 26, 2023; (c) met with certain members of the Debtors' management and their advisors; (d) reviewed the relevant institutional loan and investment agreements and documents; and (e) reviewed certain other economic, industry, and financial information that Stout deemed relevant and appropriate in its analysis.

11. The Valuation Report was prepared in accordance with the Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") and standards promulgated thereunder. For liquid cryptocurrencies, including certain staked cryptocurrencies without a withdrawal period, Stout followed FASB ASC 820 (Fair Value Measurement) guidelines and applied the Market Approach to value these cryptocurrencies, by determining the principal market as of the Valuation Date, based on sufficient transactional volume and additional market characteristics, including effective liquidity, market reputation, and market depth. Stout made certain adjustments to account for the lack of marketability for illiquid cryptocurrencies, DeFi invested cryptocurrencies, staked cryptocurrencies with a stated withdrawal period, Celsius-wrapped tokens, and, generally, cryptocurrencies not readily tradeable, before arriving at a final estimate of fair value. More specifically, the valuation adjustments for the set of non-liquid cryptocurrencies were based on quantifying the lack of marketability (by implementing Discount for Lack of Marketability models, including the well-established Finnerty model), and considering the characteristics and historical prices and volumes of liquid cryptocurrencies that were very similar to the illiquid cryptocurrencies that had to be valued.

12. The Debtors' institutional loans and alternative investments were valued using certain widely accepted valuation methodologies. For institutional loans where the Debtors had a



reasonable expectation of repayment, Stout calculated their fair value on the expected cash flows associated with the repayment of the loans, which were then discounted to present value at a rate commensurate with their associated risk. For loans not expected to be repaid in full, Stout relied on the expected recoveries provided by the Debtors' management and any expected recovery of underlying collateral. Stout utilized appropriate valuation methodologies, including discounted cash flow analysis and the Black-Scholes Option Pricing Model (as applicable), for the valuation of certain of the Debtors' alternative investment assets.

## **II. Assumptions Underlying the Valuation Report and Other Considerations**

13. The Valuation Report was prepared solely for the purposes of formulating the Plan and the calculation of implied recoveries to creditors under the Orderly Wind Down or in the event of a liquidation as of May 31, 2023. Stout assumed that all assets and liabilities presented by the Debtors were unchanged as of May 31, 2023. Events and conditions occurring after the Valuation Date were not considered in preparing the Valuation Report, and Stout makes no assurances as to the current valuation of the Debtors' assets or liabilities. Events following the Valuation Date, including but not limited to prevailing market conditions and/or changes in the Debtors' level of assets and liabilities, could have a substantial impact on the fair value of the Debtors' assets.

14. In developing the Valuation Report, Stout relied on the accuracy and completeness of all information provided by the Debtors and other advisors retained by the Debtors and on certain publicly available information as to which Stout does not have independent knowledge. Stout did not independently investigate or verify the data provided by the Debtors, including information related to the Debtors' cryptocurrency holdings, institutional loans, and alternative investments. Furthermore, Stout has not conducted a physical inspection of the Debtors' facilities or assets. The valuations and calculations in the Valuation Report are dependent and reflective of certain assumptions, limiting conditions, and opinions of Stout. The estimates provided in the



Valuation Report do not purport to reflect or constitute appraisals, liquidation values, or estimates of the actual market values that may be realized through a market transaction. Stout does not offer an opinion as to the current value of the Debtors' assets and liabilities nor on the Liquidation Analysis or Orderly Wind Down Analysis included in the Disclosure Statement.

### **CONCLUSION**

15. Based on my work performed and the information and methodologies considered, I believe the Valuation Report accurately reflects the fair value of certain of the Debtors' assets and liabilities as of May 31, 2023.

*[Remainder of page intentionally left blank]*



Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated: September 27, 2023

/s/ Joel E. Cohen

Name: Joel E. Cohen

Title: Managing Director

Stout Risius Ross, LLC



**Exhibit A**

**Valuation Report**



# Celsius Network LLC et al

Valuation Analysis Related to a Reorganization as of May 31, 2023

Issued: June 20, 2023

CONFIDENTIAL





# Contact Information



For more information, please contact one of the following members of the engagement team:

**Joel E. Cohen**

Managing Director  
+1.646.810.4407  
jcohen@stout.com

**Niall Ledwidge**

Managing Director  
+1.646.810.4332  
nledwidge@stout.com

**Harris I. Antoniadis, PhD, CFA**

Managing Director  
+1.310.601.2565  
hantoniadis@stout.com

**Fotis Konstantinidis**

Managing Director  
+1.310.601.2568  
fkonstantinidis@stout.com

**Tiffany Chi**

Director  
+1.310.601.2574  
tchi@stout.com

**Joshua Ceaser**

Senior Vice President  
+1.713.221.5152  
jceaser@stout.com

**Carolina Capatto**

Senior Vice President  
+1.310.775.2510  
ccapatto@stout.com

**Prasanthkumar Chunduru**

Vice President  
+1.424.343.8804  
pchunduru@stout.com



**Investment Banking**

Advising buyers and sellers on mergers and acquisitions, private capital raising, and other corporate financial transactions.

**Valuation Advisory**

Providing valuations of business enterprises, complex securities, intellectual property, real estate, and personal property.

**Transaction Advisory**

Helping clients navigate the transaction process and provide transaction opinions and due diligence services.

**Disputes, Claims,  
& Investigations**

Providing expert testimony and consulting, as well as insurance claim, investigations, and compliance services for financial-related matters.



# Executive Summary



June 20, 2023

Mr. Chris Ferraro  
Interim Chief Executive Officer, Chief Financial Officer, Chief Restructuring  
Officer  
Celsius Network LLC et al<sup>1</sup>  
50 Harrison Street  
Suite 209F  
Hoboken, NJ 07030

Dear Mr. Ferraro:

Stout Risius Ross, LLC ("Stout") has been engaged to assist Celsius Network LLC et al<sup>2</sup> ("Celsius" or the "Company") in rendering a valuation opinion related to the Company's reorganization as a going concern, Case No. 22-10964<sup>3</sup> (the "Transaction") as of May 31, 2023 (the "Valuation Date"). Our scope includes calculating the Fair Value of certain assets and liabilities of the Company as of the Valuation Date. We prepared our analysis in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 852, *Reorganizations* ("ASC 852") and related accounting promulgations including Topic 820, *Fair Value Measurement* ("ASC 820"). The term "Fair Value" is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (ASC 820-10-20). Accordingly, the Fair Value measurements in this report are based on assumptions that market participants would use when

pricing the asset or liability at the measurement date, assuming a transaction takes place at that date (i.e., an exit price).

We understand that our analysis will be utilized by Celsius and its advisors in the Transaction related to their corporate planning purposes. Our valuation is subject to the assumptions and limiting conditions outlined in the exhibits to this report.

## Company Synopsis

Celsius designs and develops a blockchain based platform for financial services. The Company was founded in 2017 and is based in Hoboken, New Jersey. On July 13, 2022, the Company, along with its affiliates, filed a voluntary petition for reorganization under Chapter 11 in the U.S. Bankruptcy Court for the Southern District of New York.

## Engagement Scope

Our engagement scope included a determination of Fair Value of certain of the Company's reorganization assets and liabilities upon emergence. In calculating those assets' and liabilities' value, the scope did not include calculating the Net Asset Value of the Company based on the Fair Value of its underlying assets and liabilities.

<sup>1</sup> The entities include: Celsius Network LLC; Celsius KeyFi LLC; Celsius Lending LLC; Celsius Mining LLC; Celsius Network Inc.; Celsius Network Limited; Celsius Networks Lending LLC; Celsius US Holding LLC; GK8 Ltd.; GK8 UK Limited; and GK8 USA LLC.

<sup>2</sup> Ibid.

<sup>3</sup> Celsius is in a Chapter 11 bankruptcy case captioned *In re Celsius Network LLC, et. al*, No. 22-10964 (MG) (Bankr. S.D.N.Y.).



# Executive Summary



## Information Reviewed and Procedures Performed

The principal information reviewed and procedures performed in our valuation included, but were not limited to:

- reviewed the Debtor's Statement with Respect to the Status of the Debtors' Chapter 11 Plan Process docket dated February 15, 2023;
- reviewed the Notice of Hearing of Debtors' Motion for Entry of an Order (i) Authorizing and Approving Certain Bid Protections for the Proposed Plan Sponsor and (ii) Granting Related Relief docket dated March 1, 2023;
- reviewed the coin quantities and manual adjustments in the freeze report dated May 26, 2023 (the "Freeze Report").
- reviewed certain Master Loan Agreements and Loan Term Sheets by and between Celsius and several institutional firms;
- reviewed certain Loan Agreements by and between Celsius and Equities First Holdings, LLC;
- reviewed Celsius' financial statements for the relevant periods;
- reviewed the Secured Convertible Note Purchase Agreement dated as of April 19, 2021, by and among Core Scientific Holding Co., and Celsius;
- reviewed the Simple Agreement for Future Equity dated as of June 2, 2021, between Rhodium Enterprises, Inc. and Celsius;
- reviewed the Warrant Agreement dated as of February 23, 2022 between Mawson Infrastructure Group, Inc. and Celsius;
- reviewed the Secured Promissory Note Agreement dated as of February 23, 2022 between Mawson Infrastructure Group, Inc. and Celsius;

- reviewed the Issuance Agreement for QRDO between Qredo Finance Ltd. and Celsius;
- reviewed the MATIC Token Purchase Agreement dated as of December 28, 2021 between MATIC Network Ltd. and Celsius;
- reviewed the Series A Preferred Stock Purchase Agreement dated as of May 7, 2021 between Luxor Technology Corporation and Celsius;
- reviewed the Simple Agreement for Future Equity dated as of January 19, 2021, between Luxor Technology Corporation and Celsius;
- reviewed the Certificate of Incorporation of Luxor Technology Corporation;
- held discussions with members of Company management and the Company's advisors regarding the Transaction and Company's business, industry, history, and prospects; and
- conducted an analysis of other facts and data resulting in our conclusions of value.

## Valuation of Cryptocurrency Assets

### Valuation Methodology - Liquid Cryptocurrencies

It should be noted that Stout did not independently investigate or verify the data provided to us by the Company and its advisors related to all cryptocurrency related information, including the Freeze Reports, Coin Reports, Cryptocurrency Asset Reports, Staking Agreements, Staking Summary files and any other relevant data files. We have been directed by the Company and its advisors to rely on such information for our valuation.



# Executive Summary



More specifically, our main source of information related to all cryptocurrencies that Celsius holds was the May 26, 2023 “Freeze Report” (“Freeze - May-262023 w. overlay v4 - DeFi Update 2.xlsx” file), and especially the “Coin Balances”, “Coin.Extract” and “Coin Stats” worksheets.

As of the Valuation Date, Celsius was the holder of 105 different cryptocurrencies, based on the Freeze Report. Our team followed FASB ASC 820 (Fair Value Measurement) guidelines and applied the Market Approach to value cryptocurrencies, by determining the principal market based on sufficient transactional volume and additional market characteristics, including effective liquidity, market reputation, and market depth. Unlike most traditional securities, which are traded on a single public exchange for certain dates and hours, cryptocurrencies are traded in several public trade exchanges which support transactions at all dates and times. Our team extracted hourly data for Celsius-owned cryptocurrencies from the corresponding public exchanges by using CoinMarketCap, which is one of the most established cryptocurrency data providers. Most of the cryptocurrencies owned by Celsius are traded in several public exchanges with sufficient transactional volumes and adequate market characteristics (e.g., effective liquidity and market reputation). Hence, these cryptocurrencies were deemed liquid, and their Fair Value was calculated as a 24-hour average based on the last 24-hourly transactions for the Valuation Date (see Exhibit B.1 for a sample cryptocurrency valuation illustration, which includes the principal market, transactional volume and pricing of several cryptocurrencies). This Fair Value was extracted from the principal market that was determined based on a scoring algorithm, which considers the transactional volume, effective liquidity, market reputation and market depth as important variables. The principal market is the market that

had the highest score on a scale from 1 to 100. Additionally, the primary strategy was to calculate the cryptocurrency Fair Value prices based on the USD market pair and not an intermediate cryptocurrency.

However, a few cryptocurrencies that were liquid, did not have USD as their quote currency. In this case, we captured market pairs based on available quote cryptocurrencies. Consequently, for pricing purposes, we selected the quote cryptocurrency from the principal market, and then converted the quote cryptocurrency price to USD based on its price from its principal market (the summary of our valuation results is presented in Exhibit B.6; not all assumptions are shown).

## Valuation Methodology - Staked Cryptocurrencies

Based on the Freeze Report and the “Celsius Staking Summary” files, Celsius owns several cryptocurrency tokens that were staked to three main platforms: Blockdaemon, Figment Prime and Stakehound.

All staked ETH are treated as liquid for the valuation date of 5/31/2023, since the “Celsius Staking Summary 31 May 23.xlsx” file clearly states the absence of withdrawal period for all staked ETH tokens in all staking platforms. As a result, the staked ETH tokens do not have a lock-up period and are considered liquid.

Additionally, Celsius owns MATIC (lock-up period of 9 days) and DOT (lock-up period of 28 days) that were staked in the Stakehound platform. Celsius also holds LUNA (lock-up period of 21 days) tokens that are listed under the “DeFi Assets” category in the “Coin Stats” worksheet. Based on feedback from the Company’s management, we treated these LUNA coins as staked coins stored in a Terra Station Wallet.



# Executive Summary



To account for the lockup period between the Valuation Date and when the staked cryptocurrencies become liquid, we applied a discount for lack of marketability ("DLOM") before arriving at a final estimate of value (see Exhibits B.2 and B.3 for more details).

## Valuation Methodology - DeFi Invested Cryptocurrencies

Some Celsius-owned cryptocurrencies, especially ETH tokens, were moved into DeFi protocols. More specifically, we considered all the ETH tokens that were moved in the Spartan Bucket in the "Unslashed Finance" DeFi platform, which allows capital suppliers to provide insurance coverage for a number of pools/policies.

Based on feedback from the Company's management, we considered these ETH tokens to be locked up for one year and 8 months (i.e., the tokens will become liquid on 1.31.2025) and applied the corresponding DLOM before arriving at a final estimate of value (see Exhibit B.2 for more details on the DeFi section).

## Valuation Methodology - Celsius Wrapped Coins

Celsius is the holder of four cryptocurrencies which are Celsius-wrapped versions of the original cryptocurrency: cxETH, cxADA, cxBTC, and cxDOGE. We applied a DLOM for these coins using the corresponding unwrapped cryptocurrency: ETH, ADA, BTC, and DOGE (see Exhibit B.4 for more details). More specifically, we assumed a lock-up period of 10 months (since in our previous valuation date of 3.31.2023, we assumed a 1-year lock-up period) and applied the Finnerty DLOM model<sup>4</sup> to calculate the discount.

## Valuation Methodology - Illiquid Cryptocurrencies

Our data extraction process revealed that there were some cryptocurrencies with limited transactional volume (plus additional market characteristics such as illiquidity), where it is not straightforward to determine a principal market. In this case, we analyzed these cryptocurrencies further and we collected historical data and leveraged software tools and data analytics platforms to query the blockchains where these cryptocurrencies reside. As a result, we were able to use more data points that helped us determine which cryptocurrencies were illiquid. If, for a specific cryptocurrency, no sufficient transactions were found within a reasonable period in the past, we treated this cryptocurrency as an illiquid digital asset.

For these illiquid cryptocurrencies, we determined similar, publicly traded cryptocurrencies, based on token characteristics. Subsequently, we leveraged the past prices and behavioral trends of the most similar

<sup>4</sup> John D. Finnerty ("Finnerty") proposed a model (the "Finnerty Model") whereby a DLOM is associated with the cost of an average-strike put option (analogous to an Asian put option). The investor is not assumed to have any special market-timing ability; instead, the model

assumes that the investor would, in the absence of any transfer restrictions, be equally likely to sell the security or asset any time during the restriction period.



# Executive Summary



cryptocurrency to calculate the value of the illiquid cryptocurrency for the Valuation Date. Finally, we applied a long term DLOM to each of these illiquid coins (see Exhibit B.5 for more details).

## Valuation of Institutional Loans

### Institutional Loans Overview

The institutional loans are the loans extended to several institutional firms in the form of cryptocurrency and are backed by collateral that is based on another cryptocurrency. The loans do not have any specified maturity term and bear an interest rate that is based on the value of the loan calculated using the then price of the underlying cryptocurrency. The interest is paid every month until the loan is paid off.

### Valuation Methodology – Institutional Loans

It should be noted that Stout did not independently investigate or verify the data provided to us by the Company and its advisors related to the institutional loans, or any other assets and liabilities of the Company. We have been directed by the Company and its advisors to rely on such information for our valuation.

The method utilized to value fixed-income instruments is dependent on the financial condition of the debtor. If there is a reasonable expectation that the debtor will be able to meet the financial obligations of the debt, then the value of the debt is equal to the present value of the future debt payments discounted at a rate of return commensurate with the risk associated with the debt payments. If the debtor is unable, or if there is uncertainty if the debtor will be able, to meet the financial obligations of the debt, then the value of the debt is equal to the expected proceeds to be received through

a liquidation or bankruptcy of the debtor. In the instant case, we divided the institutional loans into two groups based on the expectation of the institutional firms to repay the loan. Specifically, we performed the following procedures for the loans that are expected to be repaid:

- calculated the expected cashflows associated with the loans (see Exhibit C.3 for a sample loan illustration); and
- discounted the calculated cashflows to present value at a risk-adjusted rate of return;

To derive the cashflows associated with the loans, we first calculated the value of the coupon payments in the underlying cryptocurrency of the loan as of the Valuation Date using the interest rate on the loan and the underlying cryptocurrency price as of the Valuation Date. The coupon payment as of the payment date is then equal to the value of the coupon calculated as of the Valuation Date increased at the risk-free rate of return until the payment date. Since the payment is made in number of coins, increasing the payment at the risk-free rate of return accounts for the appreciation in the value of the underlying cryptocurrency of the loan from Valuation Date to the payment date. Similarly, we also calculated the principal amount paid at the end of the assumed term of one year increased at the risk-free rate of return from Valuation Date to the payment date, since the principal is also paid in coins. We then calculated the present value of loans using both the B and CCC rates as presented for a sample loan in Exhibit C.3. Since the loan is backed by the underlying collateral, we used the B discount rate for the portion of the loan covered by the collateral and the CCC discount rate for the remaining portion of the loan.



# Executive Summary



For the loans that are not expected to be repaid in full, we first calculated the expected proceeds to be received using a recovery rate for each institutional borrower as provided by management based on their current status. Since the institutional loans are backed by underlying collateral, we then calculated the Fair Value of the loans as the maximum of the expected recovery proceeds and the value of the collateral as of the Valuation Date. We assumed a recovery rate of 0% for the collateral that is held by FTX Trading Ltd. ("FTX") due to its current status.

## Valuation of EquitiesFirst Holdings ("EFH") Loans

### EFH Loans Overview

EFH, an institutional firm that specializes in long-term asset backed financing extended several tranches of loans to the Company with BTC and ETH as collateral. When EFH indicated that it would be unable to return the collateral as the Company was prepared to repay on its loans, the Company decided to offset the borrowings against certain portion of BTC and ETH collateral and converted the remaining portion of the pledged collateral (except 3,765 BTC) into five tranches of loans as of various dates (the "Dollarized Loans"). The Dollarized Loans will be repaid semi-monthly on each of the 15<sup>th</sup> and 30<sup>th</sup> day of every month over 30 months from their converted date. The Dollarized Loans have a minimum amount that is to be repaid on each of those payment dates. Refer to Exhibit C.8 for the terms of the Dollarized Loans and Exhibit C.5 for details regarding the unconverted 3,765 BTC (the "BTC Loan").

### Valuation Methodology – EFH Loans

It should be noted that Stout did not independently investigate or verify the data provided to us the Company and its advisors related to the EFH Loans, or any other assets and liabilities of the Company. We have been directed by the Company and its advisors to rely on such information for our valuation.

We estimated the Fair Value of the Dollarized Loans to be equal to the present value of the future payments discounted at a market rate of return commensurate with similar instruments with comparable levels of risk. Specifically, we performed the following procedures:

- calculated the expected cashflows associated with the Dollarized Loans (see Exhibit C.4 for more details); and
- discounted the calculated cashflows to present value at a risk-adjusted rate of return;

The financial condition of EFH was unknown as of the Valuation Date and based on discussions with management, EFH was expected to have a survival rate of approximately 50.0% over the next year. Considering the 50.0% survival rate of EFH and the time value of the payments, we used a combined discount rate of 75.0% to calculate the present value of the Dollarized Loans.

For the BTC Loan, since the Company does not have an agreement in place with EFH to recoup the unconverted BTC, management does not expect to recover any of the unconverted BTC based on the current financial status of EFH. We therefore used a recovery rate of 0% for the BTC Loan.



# Executive Summary



## Valuation of Alternative Assets

It should be noted that Stout did not independently investigate or verify the data provided to us by the Company and its advisors related to the Alternative Assets, or any other assets and liabilities of the Company. We have been directed by the Company and its advisors to rely on such information for our valuation.

### Core Scientific Convertible Note

Celsius is the holder of a secured convertible note issued by Core Scientific, Inc. ("Core Scientific") on April 19, 2021. On December 21, 2022 (the "Filing Date"), Core Scientific filed for Chapter 11 bankruptcy protection. Further, in March 2023, Core Scientific received final court approval to finalize a \$70 million bankruptcy financing package from B. Riley Commercial Capital LLC to reorganize and restructure the debt. The new restructuring terms of the debt are not known as of the Valuation Date. However, Celsius' management indicated they expect 100% recovery on the principal plus accrued interest amount up to the Filing Date. Accordingly, we calculated the principal plus accrued interest up to the Filing Date and then assumed a recovery rate of 100%. Refer to Exhibit D.2 for details.

### Rhodium SAFE Note

On September 29, 2022, SilverSun Technologies, Inc. ("SilverSun"), entered into an Agreement and Plan of Merger (the "Merger Agreement"), by and among certain entities including SilverSun, and Rhodium Enterprises, Inc. ("Rhodium"). As a result of the Merger, Rhodium will cease to exist and SilverSun will be renamed Rhodium Enterprises, Inc. Upon consummation of the Merger, SilverSun will have two classes of common

stock outstanding: SilverSun Class A common stock and the SilverSun Class B common stock. The Class A common stock will be listed on the Nasdaq stock exchange.

In order to determine the Fair Value of the Rhodium SAFE Note, we used the Income Approach in a scenario-based analysis. Specifically, we employed the Discounted Cash Flow Method ("DCF Method"). The first step in the DCF Method is to forecast the expected future cash flows associated with the Rhodium SAFE Note. Based on Celsius' expectation of the possible repayment scenarios we considered the following four scenarios:

- The Merger is considered a Listing Event and the number of shares that Celsius will receive upon conversion of the SAFE is based on the SilverSun Pro Forma Valuation
- The Merger is considered a Liquidity Event and the number of shares that Celsius will receive upon conversion of the SAFE is based on the SilverSun Pro Forma Valuation
- The Merger is considered a Listing Event and the number of shares that Celsius will receive upon conversion of the SAFE is based on post-merger fair value per share
- The Merger is considered a Liquidity Event and the number of shares that Celsius will receive upon conversion of the SAFE is based on post-merger fair value per share

The second step in the DCF Method involves the discounting of the future cash flows to reflect the risk and time value of money. Given the uncertainty of the timing of the payment, we did not discount the future cash flows in our analysis.

The values are preliminary. The analysis will be updated upon further discussions with Celsius' management. Refer to Exhibit D.3 for details



# Executive Summary



## Mawson Note and Warrants

Celsius holds a secured promissory note (the "Mawson Note") and warrants (the "Mawson Warrants") issued by Mawson Infrastructure Group, Inc. ("Mawson") on February 23, 2022.

In order to determine the Fair Value of the Mawson Note we used the DCF Method. In order to determine the Fair Value of the Mawson Warrants, we employed the Black-Scholes Option Pricing Model (the "BSOPM").

When estimating the Fair Value of the Mawson Note using the DCF Method, we estimated the expected future cash flows associated with the Mawson Note based on the contractual terms. Based on discussions with Celsius management, we understand the issuance of the Mawson Note and Mawson Warrants was an arm's length transaction. Accordingly, to estimate the discount rate used when discounting the future cash flows, we calibrated to the transaction. Specifically, we calibrated the discount rate such that the total present value of the Mawson Note plus the value of the Mawson Warrants was equal to the principal amount of the Mawson Note as of the issuance date. Refer to Exhibit D.4.3. Then, we adjusted the discount rate based on the change in certain market spread indications between the issuance date and the Valuation Date, to estimate the discount rate as of the Valuation Date. Refer to Exhibit D.4.5.

When estimating the Fair Value of the Mawson Warrants, we relied on six variables: (i) asset price, (ii) strike price, (iii) term, (iv) risk-free rate, (v) volatility, and (vi) dividend yield. A description of certain key assumptions with respect to these variables is outlined in Exhibit D.4.2. As presented in Exhibit D.4.2, we incorporated these inputs into the BSOPM to determine the Fair Value of the Mawson Warrants. For the valuation analysis as of the

Valuation Date we made the necessary adjustments to the exercise price and number of shares of the Mawson Warrants to account for the reverse stock split that occurred on February 9, 2023.



# Executive Summary



## Osprey Trust Equity Shares

Celsius holds equity shares in Osprey Trust. In order to determine the Fair Value of the shares held by Celsius we used the Market Approach. Specifically, we relied on the public trading price of Osprey Bitcoin Trust and Osprey Polkadot Trust as of the Valuation Date. The number of shares of Osprey Polkadot Trust were adjusted for the reverse stock split on March 24, 2023.

## Qredo Series A Equity Shares

Based on conversations with Celsius' management, we understand that on January 27, 2021, Celsius purchased 33,996 seed preferred shares of Qredo Ltd ("Qredo") for a consideration of £717,826 (£21.115 per share). We understand that between January and March 2022, Qredo raised funds in Series A Preferred Stock at \$384.41 per share. Further, based on information provided by Celsius' management, we understand Qredo has not had any subsequent capital raises. Given that there is no current information available, we kept the value of this investment equal to the last round of financing purchase price per share of \$384.41.

## MATIC, QRDO, and 1INCH Locked Tokens

Celsius entered into an agreement to receive tokens on certain future dates. In order to determine the Fair Value of the tokens as of the Valuation Date, we first used the Market Approach. Specifically, we relied on the public trading price of the tokens as of the Valuation Date. Given that we understand there are certain restrictions applicable to the tokens, we then applied a DLOM before arriving at a final estimate of value.

## Luxor Preferred Stock

In January 2021, Celsius made a SAFE investment (the "Luxor SAFE Note") in Luxor Technology Corporation ("Luxor") of \$200,000 with a post-money valuation cap of \$8 million and a discount rate of 80%. In June 2021, Luxor issued Series A Preferred Stock to certain investors at \$2.48 per share. Celsius participated in the Series A round and purchased 90,734 Series A shares. Additionally, the Luxor SAFE Note converted into 352,858 shares of Series A-1 Preferred Stock. Given that there is no current information available, we kept the value of the Series A Preferred Stock and the Series A-1 Preferred Stock equal to the last round of financing purchase price per share of \$2.48.

The values are preliminary. The analysis will be updated upon further discussions with Celsius' management. Refer to Exhibit D.7

## Orgenesis Warrants

Based on discussion with Celsius' management, we understand that Celsius exercised the warrants issued by Orgenesis, Inc. ("Orgenesis"), and, accordingly, Celsius currently holds shares of common stock of Orgenesis. Thus, in order to determine the Fair Value of the Orgenesis common stock shares, we applied the Market Approach and relied on the public trading price of Orgenesis' common stock as of the Valuation Date.



# Executive Summary

---



## Conclusions

Pursuant to the guidelines set forth in FASB ASC 852 and ASC 820, Exhibit A.1 presents our determination of the Fair Value of certain assets and liabilities of the Company.

\* \* \* \* \*

This valuation is subject to the assumptions and limiting conditions outlined in the exhibits of this report.

Regards,

**DRAFT**

**STOUT RISIUS ROSS, LLC**



# Exhibits

---



<b>Exhibit A</b>	Summary of Conclusions
<b>Exhibit B</b>	Valuation of Cryptocurrency Assets
<b>Exhibit C</b>	Valuation of Loans
<b>Exhibit D</b>	Valuation of Alternative Investments
<b>Exhibit E</b>	Assumptions and Limiting Conditions
<b>Exhibit F</b>	Certifications
<b>Exhibit G</b>	Statement of Qualifications



## A. Summary of Conclusions



### **Valuation Summary**

### **Exhibit A.1**

*In Thousands of U.S. Dollars, Unless Otherwise Noted*

	Fair Value
1 Institutional Loans	\$ 33,462
2 EFH Loans (Dollarized)	162,682
3 EFH Loans (BTC)	0
4 Coins Held In Fireblocks	1,032,703
5 DeFi Borrowing Collateral	32
6 DeFi Tokens/Assets	839,249
7 Stakehound	92,323
8 Kraken Staking	0
9 Direct Staking	720,950
10 Assets Held at Exchanges	51
11 Custody Assets	159,793
12 Collateral Held at FTX	0
<u>Alternative Investments</u>	
13 Core Scientific	59,663
14 Rhodium	37,534
15 Mawson	10,784
16 Osprey Trust	17,480
17 QRDO Investment	13,068
18 MATIC	12,266
19 Luxor	750
20 CoinRoutes	1,000
21 QRDO	430
22 1INCH	827
23 Orgenesis	202
24 Sarson Funds	250
25 Avantgarde Finance	250
26 CegaPte	150
27 Pythagoras	100
28 MVP	0



## B. Valuation of Cryptocurrency Assets



Liquid cryptocurrencies - Valuation Date of 5/31/2023

Exhibit B.1

BTC Equiv.																			ETH Equiv.																			USD																			USDC																			USDT ERC20																			GUSD																			BUSD																			MCDAI																			TUSD																			PAX																			SUSD																			3CRV																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
BTC Equiv.																			ETH Equiv.																			USD																			USDC																			USDT ERC20																			GUSD																			BUSD																			MCDAI																			TUSD																			PAX																			SUSD																			3CRV																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																										
BTC																			WBTC																			ETH																			stETH																			WETH																			BETH																			USD																			USDC																			USDT ERC20																			GUSD																			BUSD																			MCDAI																			TUSD																			PAX																			SUSD																			3CRV																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
\$ 894,539,790																			\$ 77,080																			\$ 9,088,243																			\$ 131																			\$ 206,948																			\$ 1,302																			\$ -																			\$ 14,646,045																			\$ 1,410,810																			\$ 25,899																			\$ 363,478																			\$ 25,486																			\$ 1,344																			\$ 667																			\$ 1,000																			\$ -																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
\$ -																			\$ -																			\$ 29,980																			\$ -																			\$ -																			\$ -																			\$ -																			\$ 1,694																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																			\$ -																		

Coinbase Exchange	Coinbase Exchange	Coinbase Exchange	Curve (Ethereum)	Uniswap v3 (Ethereum)	Binance		Kraken	Kraken	Coinbase Exchange	FMFW.io	Kraken	Binance.US	Coinbase Exchange	Curve (Ethereum)	Uniswap v3 (Ethereum)
\$386,174,518	\$386,174,518	\$190,586,028	0.99954 ETH	1880.11902 USDT	0.99949 ETH		\$21,075,148	\$104,108,839	\$732	\$3,088,025	\$1,150,462	\$1,534	\$1,221	1.00045 USDC	1.02577 USDC
\$27,323,96040	\$27,323,96040	\$1,879,61080	\$1,877,45592	\$1,880,23026	\$1,878,65220	1.00000	\$0.99981	\$1.00006	\$0.99924	\$0.99932	\$0.99976	\$1.00018	\$0.99672	\$1.00026	\$1.02557
BTC	BTC	ETH Equiv.				USD / Stable Coins									
BTC	BTC	ETH	stETH	WETH	BETH	USD	USDC	USDT ERC20	GUSD	BUSD	MCDAI	TUSD	PAX	SUSD	3CRV
		\$1,526.81063													



## B. Valuation of Cryptocurrency Assets



Discount for Lack of Marketability - ETH	Notes	Exhibit B.2
<i>In U.S. Dollars</i>		DeFi
Finnerty Model	[a]	
Asset Price (ETH)		1,879.61080
T Term (Years)		1.666666667
$\sigma$ Volatility Factor	[b]	75.4%
Dividend Yield		5.03%
$\sigma^2 T$		0.948106998
Adjusted $v\sqrt{T}$		51.73%
<b>Indicated Put Option Value</b>	[c]	<b>\$352.80</b>
<b>Implied Discount for Lack of Marketability</b>	[d]	<b><u>18.76985%</u></b>

[a] John D. Finnerty, "An Average-Strike Put Option Model of the Marketability Discount", *The Journal of Derivatives* 19 (Summer 2012): 53-69.

[b] The volatility is based on the historical volatility indicated by ETH's price.

[c] Based on the average-strike put option formula as follows:

$$P = S * e^{-\delta T} N(v\sqrt{T}/2) - N(-v\sqrt{T}/2)$$

$$v\sqrt{T} = \sqrt{[\sigma^2 T + \ln(2(e^{\sigma^2 T} - \sigma^2 T - 1)) - 2 * \ln(e^{\sigma^2 T} - 1)]}$$

[d] Reflects the put option value divided by the asset price.



## B. Valuation of Cryptocurrency Assets



### Discount for Lack of Marketability - Staked

Tokens	Notes	LUNA	MATIC	Exhibit B.3 DOT
<i>In U.S. Dollars</i>				
Finnerty Model	[a]			
Asset Price (ETH)		0.84714	0.89298	5.36176
T Term (Years)		0.058333333	0.025	0.077777778
σ Volatility Factor	[b]	39.7%	40.4%	44.0%
Dividend Yield		15.48%	2.25%	14.58%
σ <sup>2</sup> T		0.009187069	0.004075343	0.015082646
Adjusted v√T		5.53%	3.68%	7.08%
Indicated Put Option Value	[c]	\$0.02	\$0.01	\$0.15
Implied Discount for Lack of Marketability	[d]	<u>2.18589%</u>	<u>1.46898%</u>	<u>2.79271%</u>

[a] John D. Finnerty, "An Average-Strike Put Option Model of the Marketability Discount", *The Journal of Derivatives* 19 (Summer 2012): 53-69.

[b] The volatility is based on the historical volatility indicated by the price of the cryptocurrencies.

[c] Based on the average-strike put option formula as follows:

$$P = S \cdot e^{-\delta T} N(\sqrt{T/2}) - N(-\sqrt{T/2})$$

$$v\sqrt{T} = \sqrt{[\sigma^2 T + \ln(2(e^{\sigma^2 T} - \sigma^2 T - 1)) - 2 \ln(e^{\sigma^2 T} - 1)]}$$

[d] Reflects the put option value divided by the asset price.



## B. Valuation of Cryptocurrency Assets



### Discount for Lack of Marketability -

#### Celsius wrapped coins

Notes

Exhibit B.4

In U.S. Dollars

		cxETH	cxADA	cxBTC	cxDOGE
Finnerty Model	[a]				
Asset Price		1,879.61080	0.37588	27,323.96040	0.07179
T Term (Years)		0.833333333	0.833333333	0.833333333	0.833333333
σ Volatility Factor	[b]	60.1%	61.9%	50.6%	99.6%
σ2T		0.301085372	0.319731902	0.213144533	0.826645957
Adjusted v√T		30.88%	31.77%	26.18%	48.84%
Indicated Put Option Value	[c]	\$230.65	\$0.05	\$2,845.63	\$0.01
Implied Discount for Lack of Marketability	[d]	<u>12.27100%</u>	<u>12.62200%</u>	<u>10.41443%</u>	<u>19.29348%</u>

[a] John D. Finnerty, "An Average-Strike Put Option Model of the Marketability Discount", *The Journal of Derivatives* 19 (Summer 2012): 53-69.

[b] The volatility is based on the historical volatility indicated by the unwrapped cryptocurrency's price.

[c] Based on the average-strike put option formula as follows:

$$P = S \cdot e^{-\delta T} N(v\sqrt{T}/2) - N(-v\sqrt{T}/2)$$

$$v\sqrt{T} = \sqrt{[\sigma^2 T + \ln(2(e^{\sigma^2 T} - \sigma^2 T - 1)) - 2 \cdot \ln(e^{\sigma^2 T} - 1)]}$$

[d] Reflects the put option value divided by the asset price.



## B. Valuation of Cryptocurrency Assets



### Illiquid Cryptocurrencies - Valuation

Exhibit B.5

	TAUD		TCAD		THKD		wDGLD	
Last Traded Date	3/13/2023	3/12/2023	2/10/2023	3/13/2022	10/8/2022	10/7/2022	11/27/2022	11/27/2022
Last Traded Quote Currency	TUSD	USDT	TUSD	WETH	TUSD	TAUD	WETH	USDC
Last Traded Price	0.473719099	0.553904932	0.808547348	178.46	0.104099175	0.229544802	50.30037206	69.72
Similar Crypto Coin	TUSD	TUSD	TUSD	TUSD	TUSD	TUSD		
Similar Crypto Coin Price on Last Traded Date	\$1.00499	\$1.00109	\$0.99915	\$0.99998	\$0.99998	\$0.99988	\$0.00000	\$0.00000
Similar Crypto Coin Price as of 5/31	\$0.99981	\$0.99981	\$0.99981	\$0.99981	\$0.99981	\$0.99981	\$0.00000	\$0.00000
% Increase of Similar Crypto Coin	-0.52%	-0.13%	0.07%	-0.02%	-0.02%	-0.01%		
Price of the Crypto on 5/31 (NP)	0.471276159	0.55319351	0.809074027	178.4267111	0.104081321	0.229528726	0	0
Discounted Price	0.320467788	0.376171587	0.550170338	121.3301636	0.070775299	0.156079533	0	0
USD Price	\$0.32047	\$0.37617	\$0.55017	\$121.33016	\$0.07078	\$0.15608	\$0.00000	\$0.00000

  

	UST		yveCRV-DAO		TGBP	
Last Traded Date	5/31/2023	5/31/2023	4/29/2023	3/21/2023	5/29/2023	4/15/2023
Last Traded Quote Currency	WETH	USDC	WETH	ETH	TUSD	WETH
Last Traded Price	0.014012583	0.148600045	0.936455183	1.095590789	1.279538546	1.229859472
Similar Crypto Coin	USDT	USDT	CRV	CRV	TUSD	TUSD
Similar Crypto Coin Price on Last Traded Date	\$1.00033	\$1.00033	\$0.93081	\$0.96306	\$0.99963	\$1.00010
Similar Crypto Coin Price as of 5/31	\$1.00033	\$1.00033	\$0.81727	\$0.81727	\$0.99981	\$0.99981
% Increase of Similar Crypto Coin	0.00%	0.00%	-12.20%	-15.14%	0.02%	-0.03%
Price of the Crypto on 5/31 (NP)	0.014012583	0.148600045	0.822227255	0.929744981	1.279759121	1.22949445
Discounted Price	0.009528557	0.101048031	0.559114534	0.632226587	0.870236202	0.836056226
USD Price	\$0.00953	\$0.10105	\$0.55911	\$0.63223	\$0.87024	\$0.83606

[a] The grayed out section denotes similar blockchain cryptocurrency transactions we identified, but were not used in our calculations.



# B. Valuation of Cryptocurrency Assets



## Summary of Results - Cryptocurrency Valuation

Exhibit B.6

Quantity by Coin, As of May 26, 2023  
(USD)

Valuation date

5/31/2023

ASSETS [a]	Total	BTC Equivalent	ETH Equivalent	USD/Stable Coins	Other Coins
Coins Held In Fireblocks	\$ 1,032,702,805	\$ 894,616,870	\$ 9,296,624	\$ 16,599,587	\$ 112,189,724
Loans Out to Institutions					
Posted Collateral at Institutions					
Total Institutional Loans Receivable					
DeFi Borrowing Collateral	\$ 31,676	\$ -	\$ 29,980	\$ 1,694	\$ 2
DeFi Tokens/Assets	\$ 839,249,091	\$ 31,423	\$ 835,532,823	\$ 25,529	\$ 3,659,316
Stakehound [f][g][i][n]	\$ 92,322,948	\$ -	\$ 51,230,672	\$ -	\$ 41,092,276
Kraken Staking	\$ 6	\$ -	\$ -	\$ -	\$ 6
Direct Staking [f][g][i][m]	\$ 720,950,375	\$ -	\$ 688,698,795	\$ -	\$ 32,251,580
Total Staking Assets	\$ 813,273,330	\$ -	\$ 739,929,467	\$ -	\$ 73,343,863
Assets Held at Exchanges	\$ 50,669	\$ -	\$ 19	\$ 10	\$ 50,641
Custody Assets	\$ 159,793,027	\$ 62,801,391	\$ 54,080,726	\$ 25,162,593	\$ 17,748,317
Investments					
Collateral Held at FTX	\$ 0	\$ -	\$ -	\$ -	\$ 0
PrimeTrust					
Retail Loans					
Mining					
Osprey Trust					
Other Assets, Net of Reserves					
<b>Total Assets</b>	<b>\$ 2,845,100,598</b>	<b>\$ 957,449,683</b>	<b>\$ 1,638,869,639</b>	<b>\$ 41,789,413</b>	<b>\$ 206,991,863</b>

[a] Cryptocurrency quantities were calculated based on the "Coin.Extract" tab.

[b] The CoinMarketCap API (<https://coinmarketcap.com/api/>) was used to extract the pricing, volume, market depth, etc. values of the cryptocurrencies.

[c] The principal market is determined based on the cryptocurrency/USD pair and a score is assigned to each market. This score is a function of the average trading volume in 24 hr (in USD), the market depth (the mean of the +2% depth and -2% depth), market reputation score and liquidity. The log10 function is used to normalize the values and map them between 1 - 100 (ranking score).

[d] The price of cryptocurrency from the principal market is a 24-hr average (hourly, on the hour) for the valuation date. This is because cryptocurrencies trade 24/7 and there is no market close time.

[e] The valuation date for this file was: Wednesday, 5/31/2023, 15:59 EST (or 19:59 UTC), so prices were the average of the last 24 hours before this timestamp.

[f] The APY information regarding the Direct Staking/Locked-up ETH coins was taken from the "Celsius Staking Summary 31 May 23.xlsx" file.

[g] Since the Shanghai upgrade took place on April 12, 2023, and assuming an additional 7 weeks needed to liquidate the staked ETH, all staked ETH are treated as liquid for the valuation date of 5/31/2023.

[h] The absence of withdrawal period in all staked ETH tokens is also stated in the "Celsius Staking Summary 31 May 23.xlsx" file.

[i] 85,096,118 ADA coins are staked in Blockdaemon, but they are liquid for valuation purposes, without a lock-up period. Stakehound also holds 46,238,332 MATIC (lock-up period of 9 days) and 78,426 DOT (lock-up period of 28 days) tokens in custody. We applied DLOM for these MATIC and DOT coins (see [z] and [aa]).

[j] 37,793,717 SGB coins are staked and held in Fireblocks, but they are liquid for valuation purposes, without a lock-up period.

[k] 10,085 LUNA tokens are staked in validators and held in Terra Station wallet. We applied DLOM for these tokens, with a lock-up period of 21 days (see [y]).

[l] A discount factor was calculated for the direct-staked ETH by using an established DLOM (Discount for Lack of Marketability) model, the Finnerty model. ETH direct staking took place via three staking providers: Stakehound, Blockdaemon and Figment.

[m] All WBTC tokens were treated as BTC tokens, based on feedback from A&M

[n] Discount factor for DeFi Assets on

Unslashed (APY at 5.03%) Spartan bucket.

Based on management feedback, the lock-up

period used was 1 year and 8 months (the

14,816 ETH will become liquid on 1/31/2025)

18.76985%

[o] Per the Coin.Stats DeFi information, there are 432,489 undeployed crypto tokens in DeFi workspace. These ETH tokens were treated as liquid tokens. Additionally, there are also 14,816 ETH tokens in Unslashed Finance, where we applied the discount from [n].

[p] Recovery factor for tokens held at FTX

0.0%

[q] We performed illiquidity analysis (for cryptoassets with significant/non-zero coin quantity) and determined that 14 tokens did not have reliable data regarding transactional volume, so there was principal market. These tokens were: TAUD, TCAD, cxETH, THKD, cxADA, cxDOGE, UST, yveCRV-DAO, SGR, alUSD, ZUSD, TGBP.

[r] For TAUD, TCAD, THKD, wDGLD, UST, and yveCRV-DAO, we determined similar coins and based on their last blockchain transaction, we translated (based on the similar coin trends) the price to the valuation date of 5/31/2023 and consequently applied the maximum Finnerty DLOM of 32.3%.

[s] For cxETH, cxBTX, cxADA and cxDOGE, we applied a DLOM for 10 months (the remainder of the 1-yr lock-up period, starting at 3/31/2023), based on volatility of the corresponding unwrapped cryptocoin.

[t] Discount factor for cxETH:

12.27100%

[u] Discount factor for cxBTC:

10.41443%

[v] Discount factor for cxADA:

12.62200%

[w] Discount factor for cxDOGE:

19.29348%

[x] For WDGLD we did not find any reliable data that contain past transactions, so its price has been chosen to be \$0.

[y] Discount factor for LUNA (APY at 15.48%)

2.18589%

[z] Discount factor for MATIC (APY at 2.25%)

1.46898%

[aa] Discount factor for DOT (APY at 14.58%)

2.79271%



## C. Valuation of Loans



### **Summary of Conclusions - Loans**

### **Exhibit C.1**

*In Thousands of U.S. Dollars, Unless Otherwise Noted*

		<u>Notes</u>	
		Outstanding Amount	Fair Value
1	Valuation Date	5/31/2023	
2	Institutional Loans	[a] \$ 134,591	\$ 33,462
3	EFH Loans (Dollarized)	[b] 307,668	162,682
4	EFH Loans (BTC)	[c] 102,875	0

[a] Refer to Exhibit C.2.

[b] Refer to Exhibit C.4.

[c] Refer to Exhibit C.5.



# C. Valuation of Loans

**Valuation Analysis - Institutional Loans****Exhibit C.2***In Thousands of U.S. Dollars and Number of Units, Except Price Per Unit*

|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|--|

	Counter Party	Status	Total Loan Amount	Interest Rate	Total Collateral Amount	Recovery Rate	Total Fair Value [a][b]
43	168 Trading Limited	Active	\$ 679	5.00%	\$ 1,652	n/a	\$ 705
44	Alameda Research Ltd	Workout	15,258	5.64%	0	0.00%	0
45	B2C2 LTD	Active	294	5.29%	364	n/a	307
46	B-Brick Inc	Workout	17,733	8.50%	0	5.00%	887
47	Blockchain Access UK Ltd	Active	2,370	7.99%	2,266	n/a	2,525
48	Iterative OTC LLC	Workout	12,296	0.00%	0	0.00%	0
49	Liquidity Technologies LTD	Workout	12,678	9.00%	0	20.00%	2,536
50	Onchain Custodian Pte Ltd	Active	1,880	2.15%	1,444	n/a	1,867
51	OPTIMAL ALPHA MASTER FUND LTD	Active	5,030	1.00%	5,030	n/a	5,024
52	Profluent Trading Inc	Active	11,637	3.52%	6,108	n/a	11,511
53	Reliz LTD	Workout	7,703	1.00%	250	20.00%	1,541
54	Symbolic Capital Partners Ltd	Active	3,584	7.49%	4,283	n/a	3,812
55	Three Arrows Capital Ltd	Workout	40,578	11.31%	0	0.00%	0
56	Tower BC Ltd	Active	2,870	2.00%	850	n/a	2,748
57	Total		\$ 134,591		\$ 22,246		\$ 33,462

[a] Refer to Exhibit C.3 for an illustration of a sample loan analysis for active loans.

[b] For loans in workout the fair value is calculated as: Max[Recovery Rate \* Total Loan Amount, Total Collateral Amount].

[c] We used a recovery rate of 0.0% based on discussions with management.

[d] Celsius is in active discussions with the obligor regarding restructuring plan that may include a combination of a cash payout and equity in a newly-formed entity. Significant uncertainty around the successful implementation of a mutually agreeable restructuring plan and may require litigation. Accordingly, we used a recovery rate of 5.0% based on discussions with management.

[e] It is unclear whether Iterative has the ability or willingness to pay, and this matter has been outstanding for over 18 months. Accordingly, we used a recovery rate of 0% based on discussions with management.

[f] Celsius is in active discussions with the obligor. There is a significant dependency on CoinFlex collecting debt from Roger Ver. Significant negative equity. Accordingly, we used a recovery rate of 20.0% based on discussions with management.

[g] The management believes that Reliz has the ability to pay, but not necessarily the willingness to do so. Accordingly, we used a recovery rate of 20.0% based on discussions with management.

[h] The likelihood of any material recovery is low since the obligor has many competing claims, and its remaining assets are illiquid and difficult to price. Accordingly, we used a recovery rate of 0% based on discussions with management.



## C. Valuation of Loans



### Sample Discounted Cash Flow Analysis - 168 Trading Limited

Exhibit C.3

In Thousands of U.S. Dollars

1	Valuation Date	5/31/2023
2	Maturity Date [a]	5/31/2024
3	Counterparty	168 Trading Limited
4	Total Loan Amount	\$ 679
5	Underlying Coin for the Loan	DOT
6	Underlying Coin Price for the Loan	\$5.36
7	Number of Coins (Loan)	126.6
8	Total Collateral Amount	\$ 1,652
9	Interest Rate	5.00%

	Date	Tenor	Interest (In Underlying Coin)	Amount of Interest (In USD) [b]	Amount of Principal as of Maturity Date (In USD) [c]	Total Payments	Discount Rate [d]	Discount Factor	Present Value	Discount Rate [e]	Discount Factor	Present Value
10	6/1/2023	0.00	0.02	\$ 0.09	\$ 0.00	\$ 0.09	5.98%	0.9998	\$ 0.09	14.71%	0.9996	\$ 0.09
11	7/1/2023	0.08	0.52	2.80	-	2.80	5.98%	0.9951	2.79	14.71%	0.9884	2.77
12	8/1/2023	0.17	0.54	2.91	-	2.91	5.98%	0.9902	2.88	14.71%	0.9770	2.84
13	9/1/2023	0.25	0.54	2.92	-	2.92	5.98%	0.9853	2.88	14.71%	0.9656	2.82
14	10/1/2023	0.34	0.52	2.84	-	2.84	6.02%	0.9805	2.78	14.71%	0.9548	2.71
15	11/1/2023	0.42	0.54	2.95	-	2.95	6.06%	0.9755	2.88	14.71%	0.9437	2.78
16	12/1/2023	0.50	0.52	2.86	-	2.86	6.09%	0.9706	2.78	14.71%	0.9332	2.67
17	1/1/2024	0.59	0.54	2.97	-	2.97	6.14%	0.9655	2.87	14.71%	0.9223	2.74
18	2/1/2024	0.67	0.54	2.98	-	2.98	6.19%	0.9604	2.86	14.71%	0.9117	2.71
19	3/1/2024	0.75	0.50	2.80	-	2.80	6.23%	0.9556	2.67	14.71%	0.9020	2.52
20	4/1/2024	0.84	0.54	3.00	-	3.00	6.27%	0.9504	2.85	14.71%	0.8916	2.68
21	5/1/2024	0.92	0.52	2.91	-	2.91	6.32%	0.9453	2.76	14.71%	0.8816	2.57
22	5/31/2024	1.00	0.52	2.93	713.86	716.79	6.36%	0.9402	673.91	14.71%	0.8718	624.87
60	Total Present Value											<u>\$ 704.99</u>
												<u>\$ 654.78</u>

	Percentage	Present Value
61 Present Value (Based on Single B)	100.0%	\$ 705
62 Present Value (Based on CCC)	0.0%	655
63 Total Fair Value [f]		<u>\$ 705</u>

Certain rows hidden for presentation purposes. But the total values include all the rows.

[a] Since the loans have an open term, we assumed a term of 1 year.

[b] The amount of interest to be paid at each payment date is calculated as the amount of interest as of the Valuation Date grown at the risk free rate until the payment date.

[c] The amount of principal to be paid as of the maturity date is calculated as the loan amount grown at the risk free rate until maturity.

[d] Represents the B-Rated yield for the corresponding term as of the Valuation Date. Refer to Exhibit C.6.

[e] Based on the BofA ML US HY CCC & Lower Index effective yield obtained from Federal Reserve Bank of St. Louis.

[f] We used a discount rate based on Single B for the loan amount that is covered by the collateral amount and CCC for the remaining portion of the loan amount, based on the assumed risk of the institutional investors. The calculation shown here is for a single loan but the final value for any counterparty is calculated based on the total amount of loans outstanding and the total value of collateral as of the Valuation Date.



# C. Valuation of Loans



## Valuation Analysis - EFH Loans (\$)

Exhibit C.4

In Thousands of U.S. Dollars

		BTC Loan 1	BTC Loan 2	BTC Loan 3	ETH Loan 1	ETH Loan 2	Total							
1	Valuation Date	5/31/2023	5/31/2023	5/31/2023	5/31/2023	5/31/2023	n/a							
2	Conversion Date [a]	5/4/2022	3/23/2022	6/8/2022	4/6/2022	4/20/2022	n/a							
3	Last Payment Date [a]	10/28/2024	9/15/2024	11/28/2024	9/28/2024	10/15/2024	n/a							
4	Original Loan Amount [a]	\$ 122,280	\$ 58,361	\$ 32,017	\$ 120,301	\$ 40,352	\$ 373,311							
5	Outstanding Principal	94,980	48,211	30,175	100,701	33,602	307,668							
6	Interest Rate [a]	n/a	n/a	7.0%	n/a	n/a	n/a							
7	Discount Rate [b]	75.0%	75.0%	75.0%	75.0%	75.0%	n/a							

  

	Date	Tenor	BTC Loan 1	BTC Loan 2	BTC Loan 3	ETH Loan 1	ETH Loan 2	Discount Rate	Discount Factor	BTC Loan 1	BTC Loan 2	BTC Loan 3	ETH Loan 1	ETH Loan 2
8	6/15/2023	0.04	\$ 1,050	\$ 350	\$ 270	\$ 700	\$ 250	75.00%	0.9773	\$ 1,026	\$ 342	\$ 264	\$ 684	\$ 244
9	6/28/2023	0.08	1,050	350	270	700	250	75.00%	0.9580	1,006	335	259	671	239
10	7/15/2023	0.12	1,050	350	270	700	250	75.00%	0.9333	980	327	252	653	233
11	7/28/2023	0.16	1,050	350	270	700	250	75.00%	0.9149	961	320	247	640	229
12	8/15/2023	0.21	1,050	350	270	700	250	75.00%	0.8900	935	312	240	623	223
13	8/28/2023	0.24	1,050	350	270	700	250	75.00%	0.8724	916	305	236	611	218
14	9/15/2023	0.29	1,050	350	270	700	250	75.00%	0.8487	891	297	229	594	212
15	9/28/2023	0.33	1,050	350	270	700	250	75.00%	0.8319	874	291	225	582	208
16	10/15/2023	0.38	1,050	350	270	700	250	75.00%	0.8105	851	284	219	567	203
17	10/28/2023	0.41	1,050	350	270	700	250	75.00%	0.7946	834	278	215	556	199
18	11/15/2023	0.46	1,050	350	270	700	250	75.00%	0.7729	812	271	209	541	193
19	11/28/2023	0.50	1,050	350	270	700	250	75.00%	0.7577	796	265	205	530	189
20	12/15/2023	0.54	1,050	350	270	700	250	75.00%	0.7382	775	258	199	517	185
21	12/28/2023	0.58	1,050	350	270	700	250	75.00%	0.7236	760	253	195	507	181
22	1/15/2024	0.63	1,050	350	270	700	250	75.00%	0.7039	739	246	190	493	176
23	1/28/2024	0.66	1,050	350	270	700	250	75.00%	0.6900	725	242	186	483	173
24	2/15/2024	0.71	1,050	350	270	700	250	75.00%	0.6712	705	235	181	470	168
25	2/28/2024	0.75	1,050	350	270	700	250	75.00%	0.6580	691	230	178	461	164
26	3/15/2024	0.79	1,050	350	270	700	250	75.00%	0.6428	675	225	174	450	161
27	3/28/2024	0.83	1,050	350	270	700	250	75.00%	0.6302	662	221	170	441	158
28	4/15/2024	0.87	1,050	350	270	700	250	75.00%	0.6131	644	215	166	429	153
29	4/28/2024	0.91	1,050	350	270	700	250	75.00%	0.6010	631	210	162	421	150
30	5/15/2024	0.96	1,050	350	270	700	250	75.00%	0.5856	615	205	158	410	146
31	5/28/2024	0.99	1,050	350	270	700	250	75.00%	0.5741	603	201	155	402	144
32	6/15/2024	1.04	1,050	350	270	700	250	75.00%	0.5580	586	195	151	391	140
33	6/28/2024	1.08	1,050	350	270	700	250	75.00%	0.5470	574	191	148	383	137
34	7/15/2024	1.12	1,050	350	270	700	250	75.00%	0.5330	560	187	144	373	133
35	7/28/2024	1.16	1,050	350	270	700	250	75.00%	0.5225	549	183	141	366	131
36	8/15/2024	1.21	1,050	350	270	700	250	75.00%	0.5083	534	178	137	356	127
37	8/28/2024	1.24	1,050	350	270	700	250	75.00%	0.4983	523	174	135	349	125
38	9/15/2024	1.29	1,050	37,711	270	700	250	75.00%	0.4847	509	18,279	131	339	121
39	9/28/2024	1.33	1,050	0	270	79,001	250	75.00%	0.4752	499	0	128	37,538	119
40	10/15/2024	1.38	1,050	0	270	0	25,602	75.00%	0.4629	486	0	125	0	11,852
41	10/28/2024	1.41	60,330	0	270	0	0	75.00%	0.4538	27,379	0	123	0	0
42	11/15/2024	1.46	0	0	270	0	0	75.00%	0.4415	0	0	119	0	0
43	11/28/2024	1.50	0	0	20,725	0	0	75.00%	0.4328	0	0	8,969	0	0
44	Total Fair Value									\$ 51,302	\$ 25,755	\$ 15,363	\$ 52,830	\$ 17,433
45	Total									\$ 162,682				

[a] Based on the Loan Agreements.

[b] Based on discussions with management, EFH has a survival rate of approximately 50.0% over a year. Along with the survival rate, the cash flows have to be adjusted using a discount rate equal to the risk-free rate for the corresponding tenor to account for the timing of the cashflows. We used a combined discount rate of 75.0% that incorporates the survival rate to discount the cash flows.



## C. Valuation of Loans



### **Valuation Analysis - EFH Loans (BTC) Exhibit C.5**

*In Thousands of U.S. Dollars and Number of Units, Except Price Per Unit*

	<u>Notes</u>	
1 Valuation Date		5/31/2023
2 Number of BTC	[a]	3.765
3 Multiply By: BTC Price as of Valuation Date (Per Unit)		<u>\$27,324</u>
4 Indicated Value of BTC as of Valuation Date		\$ 102,875
5 Multiply By: Recovery Rate	[b]	<u>0.0%</u>
6 Total Fair Value		<u><u>\$ -</u></u>

[a] Based on the Loan Agreements.

[b] The recovery rate is based on discussions with management. The management haven't had any conversatiosn with EFH and haven't had any progress in dollarizing the BTC owed by EFH. Accordingly, management doesn't expect to receive any amount with respect to the remaining BTC owed by EFH.



## C. Valuation of Loans



### **B-Rated Yield Curve**

### **Exhibit C.6**

	Term	Yield as of 5/31/2023
1	3 Months	6.0%
2	6 Months	6.1%
3	1 Year	6.4%
4	2 Years	7.1%
5	3 Years	7.5%
6	4 Years	7.8%
7	5 Years	8.0%
8	6 Years	8.1%
9	7 Years	8.2%
10	8 Years	8.3%
11	9 Years	8.4%
12	10 Years	8.5%

Source: Bloomberg, L.P.



## C. Valuation of Loans



### Risk-Free Rates of Return

### Exhibit C.7

	Term	Yield as of 5/31/2023
1	1 Month	5.3%
2	3 Months	5.5%
3	6 Months	5.5%
4	1 Year	5.2%
5	2 Years	4.4%
6	3 Years	4.0%
7	5 Years	3.7%
8	7 Years	3.7%
9	10 Years	3.6%
10	20 Years	4.0%
11	30 Years	3.9%

Source: S&P Capital IQ, Inc.



# D. Valuation of Alternative Investments



## Summary of Conclusions - Alternative Investments

Exhibit D.1

*In Thousands of U.S. Dollars, Unless Otherwise Noted*

		Notes			
1	Valuation Date		5/31/2023		
<b><u>Investments</u></b>					
Investment Name		Investment Type	Initial Investment		Fair Value
2	Core Scientific	[a] Convertible Note	\$	54,000	\$ 59,663
3	Rhodium	[b] Safe Note	\$	50,000	\$ 37,534
4	Mawson	[c] Venture Debt	\$	20,000	\$ 10,784
5	Osprey Trust	[d] AFS Equity Shares	\$	58,800	\$ 17,480
6	QRDO Investment	[e] Series A Equity Shares	£	718	\$ 13,068
7	MATIC	[f] Locked Token Receivables	\$	25,000	\$ 12,266
8	Luxor	[g] Converted Safe Note	\$	200	\$ 750
9	CoinRoutes	[h] Series B Preferred Equity Shares	\$	1,000	\$ 1,000
10	QRDO	[i] Locked Token Receivables	\$	1,000	\$ 430
11	1INCH	[j] Locked Token Receivables	\$	6,667	\$ 827
12	Orgenesis	[k] Exercised Warrant	\$	1,057	\$ 202
13	Sarson Funds	[l] Equity	\$	250	\$ 250
14	Avantgarde Finance	[m] Series A Preferred Shares	\$	250	\$ 250
15	CegaPte	[n] Safe Note	\$	150	\$ 150
16	Pythagoras	[o] Equity	\$	100	\$ 100
17	MVP	[p] Acquisition	\$	4,600	\$ 0
			<b>\$</b>	<b>223,792</b>	

- [a] Celsius is the holder of a secured convertible note (the "Convertible Note") issued by Core Scientific, Inc. ("Core Scientific") on April 19, 2021. On December 21, 2022 (the "Filing Date"), Core Scientific filed for Chapter 11 bankruptcy protection. Further, in March 2023, Core Scientific received final court approval to finalize a \$70 million bankruptcy financing package from B. Riley Commercial Capital LLC (the "B. Riley Facility" or "DIP Loan") to reorganize and restructure the debt. The new restructuring terms of the debt are not known as of the Valuation Date. However, Celsius management expects 100% recovery of the principal plus the interest accrued up to the Filing Date. Refer to Exhibit D.2 for details.
- [b] Preliminary value. Value will be updated upon receiving management's scenario probabilities. Refer to Exhibit D.3 for details.
- [c] Refer to Exhibits D.4.1 to D.4.9 for details.
- [d] Refer to Exhibit D.5 for details.
- [e] Based on conversations with Celsius management, we understand that on January 27, 2021, Celsius purchased 33,996 seed preferred shares of Qredo Ltd ("Qredo") for a consideration of £717,826 (£21.115 per share). We understand that between January and March 2022, Qredo raised funds in Series A Preferred Stock at \$384.41 per share. Further, based on conversations with Celsius management, we understand Qredo has not had any subsequent capital raises. Lastly, based on conversations with Celsius management, we understand that Celsius currently owns 33,996 shares of Series A Preferred Stock. Given that there is no current information available, we kept the value of this investment equal to the purchase price of \$384.41 per share of the last round of financing.
- [f] Refer to Exhibits D.6.1 and D.6.2 for details.
- [g] Refer to Exhibit D.7 for details.
- [h] Given that there is no current information available, we kept the value of this investment at cost.
- [i] Refer to Exhibits D.8.1 and D.8.2 for details.
- [j] Refer to Exhibits D.9.1 and D.9.2 for details.
- [k] Refer to Exhibit D.10 for details.
- [l] Based on conversations with management we understand that STABLECOIN INDEX, LP invests in a basket of cryptocurrency tokens that are specially designed to have a 1:1 corresponding investment in US Dollars, known as "stablecoins". Value provided by management based on the Investor Statement for the period ended on December 31, 2022.
- [m] Given that there is no current information available, we kept the value of this investment at cost.
- [n] Given that there is no current information available, we kept the value of this investment at cost.
- [o] Given that there is no current information available, we kept the value of this investment at cost.
- [p] Celsius initially recognized a human capital intangible assets as part of the acquisition of the development division of MVP workshop. This development division is now part of the mining business and the human capital intangible assets are now recognized as part of the mining business, so it does not have value as of the Valuation Date.



## D. Valuation of Alternative Investments



### Convertible Note Analysis

### Exhibit D.2

*In Thousands of U.S. Dollars*

#### Summary of Terms

	Notes	
1 Original Face Value	[a]	\$ 54,000
2 Issuance Date		4/19/2021
3 Maturity Date		4/19/2025
4 Cash Interest Rate		4.0%
5 PIK Interest Rate		6.0%

#### Calculation of Cash Flow Schedule

	Date	Beg. Principal	Cash Interest	PIK Interest	Total Payments	Ending Principal
6	Apr-21	\$ 54,000	n/a	n/a	n/a	\$ 54,000
7	Jul-21	54,000	\$ 432	\$ 648	\$ 432	54,648
8	Oct-21	54,648	551	826	551	55,474
9	Jan-22	55,474	559	839	559	56,313
10	Apr-22	56,313	555	833	555	57,147
11	Jul-22	57,147	570	855	570	58,001
12	Oct-22	58,001	585	877	585	58,879
13	Dec-22	58,879	n/a	784	n/a	59,663
14	Total Principal Value and Accrued Interest					\$ 59,663
15	Assumed Recovery Rate					[b] 100%
16	<b>Fair Market Value of Outstanding Debt Amount</b>					<b>\$ 59,663</b>

Source: The Convertible Promissory Note Indenture and Term Sheet.

[a] Provided by management.

[b] Provided by management. Management expects to recover 100% of the outstanding principal plus accrued interest as of the Valuation Date.



# D. Valuation of Alternative Investments



## SAFE Analysis - Rhodium Enterprises, Inc.

Exhibit D.3

In Thousands of U.S. Dollars and Number of Shares, Except Value Per Share

		Notes				
<u>Capitalization [a]</u>		Pre-Merger Shares	Exchange Ratio [d]	Post-Merger Shares	Ownership	
1	Rhodium Shares	[b]	353,792	0.45x	160,162	96.8%
2	SilverSun Shares	[c]	5,295		5,295	3.2%
3	<b>Total</b>		<b>359,086</b>		<b>165,456</b>	<b>100.0%</b>
<u>SilverSun Post-Merger Implied Fair Value per Share</u>						
4	Ticker			NasdaqCM:SSNT		
5	SilverSun Market Capitalization	[e]		\$	16,662	
6	Dividend	[f]			8,500	
7	SilverSun Merger Contribution			\$	8,162	
8	SilverSun Post-Merger Ownership %	[g]			3.2%	
9	Implied SilverSun Valuation	[h]		\$	<b>255,065</b>	
10	Post-Merger Shares				165,456	
11	SilverSun Fair Value per Share				\$1.54	
12	SilverSun Pro Forma Valuation	[i]		\$	671,875	
13	Value Per Share Implied by Pro Forma Valuation				\$4.06	
14	Celsius SAFE Purchase Amount	[j]		\$	50,000	
15	Discount %	[k]			15.0%	

<u>SAFE Valuation</u>		<u>Number of Shares</u>	<u>FV per Share</u>	<u>SAFE Fair Value</u>	<u>Scenario Probability [l]</u>	
16	Scenario 1 - Listing Event and Contractual Per Share Post-Merger Valuation of \$4.06	[m]	14,486	\$1.54	\$ 22,331	25.0%
17	Scenario 2 - Liquidity Event and Contractual Per Share Post-Merger Valuation of \$4.06	[n]	12,313	\$1.54	18,982	25.0%
18	Scenario 3 - Listing Event and Implied Per Share Post-Merger Valuation	[o]	41,353	\$1.54	58,824	25.0%
19	Scenario 4 - Liquidity Event and Implied Per Share Post-Merger Valuation	[p]	35,150	\$1.54	50,000	25.0%
20	<b>Probability-Weighted Value</b>				<b>\$ 37,534</b>	
21	<b>Concluded SAFE Fair Value</b>				<b>\$ 37,534</b>	

[a] On September 29, 2022, SilverSun Technologies, Inc. ("SilverSun"), entered into an Agreement and Plan of Merger (the "Merger Agreement"), by and among certain entities including SilverSun, and Rhodium Enterprises, Inc. ("Rhodium"). As a result of the Merger, Rhodium shall cease to exist and SilverSun shall be renamed Rhodium Enterprises, Inc. SilverSun, through a subsidiary will manage Rhodium Technologies LLC ("Technologies"). Upon consummation of the Merger, SilverSun will have two classes of common stock outstanding: SilverSun Class A common stock and the SilverSun Class B common stock. SilverSun's Class A common stock shall be listed on The Nasdaq Stock Market LLC ("Nasdaq").

[b] Number of Rhodium Class A and Class B common shares pre-merger per the Merger Agreement. Upon the Merger, each share of Rhodium Class A and Class B common stock issued and outstanding immediately prior to the Merger will automatically be converted into the right to receive a number of shares of SilverSun Class A and Class B common stock, based upon the "Class A Exchange Ratio" and "Class B Exchange Ratio", respectively.

[c] Number of shares per the Merger Agreement. Upon the Merger, each share of SilverSun common stock issued and outstanding immediately prior to the filing of the Amended and Restated Certificate of Incorporation shall automatically be converted into one validly issued, fully paid and nonassessable share of SilverSun Class A common stock.

[d] Exchange ratio per the Merger Agreement. We assumed the same exchange ratio for Rhodium Class B common stock.

[e] Source: S&P Capital IQ, Inc. Market cap as of the Valuation Date.

[f] Per the Merger Agreement, SilverSun is expected to distribute a dividend of at least \$1.50 per share to original SilverSun stockholders, in the aggregate amount of approximately \$8.5 million.

[g] Per the Merger Agreement, SilverSun legacy stockholders and option holders shall hold SilverSun Class A Common Stock with a value no less than 3.2% of the Pro Forma Valuation at Closing.

[h] Based on discussions with management, we understand the Merger is an arm's length. Accordingly, we calculated SilverSun's overall implied equity value calibrating to the transaction. Specifically, SilverSun market cap should be equal to \$8.5m for the dividend distribution plus 3.2% of the overall SilverSun equity value post-transaction.

[i] The parties to the Merger Agreement have agreed that for all purposes of the Merger Agreement: (i) the agreed pro forma net equity value of SilverSun after giving effect to the Merger is \$671,875,172 (the "Pro Forma Valuation"), (ii) based on such Pro Forma Valuation, the agreed value of the consideration to be received by the Rhodium Legacy Stockholders is \$650,375,000 (the "Rhodium Valuation").

[j] Per the Merger Agreement.

[k] If the Merger is classified as a Listing Event, the SAFE holders shall be entitled to receive a 15% discount.

[l] Provided by management.

[m] Based on the value per share implied by the Pro Forma Valuation and the classification of the Merger as a Listing Event.

[n] Based on the value per share implied by the Pro Forma Valuation and the classification of the Merger as a Liquidity Event.

[o] Based on the value per share implied by SilverSun' market cap as of the Valuation Date, terms of the transaction and the classification of the Merger as a Listing Event.

[p] Based on the value per share implied by SilverSun' market cap as of the Valuation Date, terms of the transaction and the classification of the Merger as a Liquidity Event.



## D. Valuation of Alternative Investments



### Conclusion of Value - Mawson

### Exhibit D.4.1

*In Thousands of U.S. Dollars, Except Price Per Note*

	Notes	Outstanding Balance	Measurement Date	Fair Value (\$100) (Clean Price)	Fair Value (\$000s)
1 Senior Notes	[a]	\$ 11,000	5/31/2023	\$98.04	\$ 10,784
2 Warrants	[b]				0
3 Total Fair Market Value					\$ 10,784

[a] Refer to Exhibit D.4.4.

[b] Refer to Exhibit D.4.2.



## D. Valuation of Alternative Investments



### Black-Scholes Model Conclusions - Warrants

Exhibit D.4.2

*In Thousands of U.S. Dollars and Number of Warrants, Except Value Per Share and Warrant*

Variables	Notes	Issuance Date 2/23/2022	Valuation Date 5/31/2023	Source
1 S Asset Price	[a]	\$3.53	\$2.60	Footnote [a]
2 X Exercise Price	[b]	\$6.50	\$39.00	Warrant Agreement
3 T Expected Term		1.50 years	0.23 years	Warrant Agreement
4 $\sigma$ Volatility Factor	[c]	45.0%	45.0%	
5 r Risk-Free Rate of Return		1.4%	5.4%	
6 $\delta$ Dividend Yield		0.0%	0.0%	
7 Fair Value per Warrant	[d]	\$0.19	\$0.00	
8 Number of Warrants		3,850	642	Warrant Agreement
9 Fair Value of Warrants (Rounded)		\$ 714	\$ 0	

[a] Source: S&P Capital IQ, Inc.

[b] Adjusted for reverse stock split on Feb 9, 2023.

[c] As market participants do not often pay for conversion option value over-and-above volatility at a certain level, generally considered to be between 40% to 50%, and given the terms of the transaction, we capped the volatility at 45% as of the Valuation Date.

[d] Based on the Black-Scholes call option formula as follows:

$$C = S \cdot e^{-\delta T} N(d_1) - X \cdot e^{-rT} N(d_2)$$

$$d_1 = \frac{\ln(S/X) + (r - \delta + (\sigma^2)/2)T}{\sigma\sqrt{T}}$$

$$d_2 = d_1 - \sigma\sqrt{T}$$



## D. Valuation of Alternative Investments



### Secured Promissory Note Analysis (February 23, 2022)

Exhibit D.4.3

*In Thousands of U.S. Dollars and Number of Warrants*

1	Valuation Date	2/23/2022
2	Issue Date	2/23/2022
3	Maturity Date	8/23/2023
4	Face Amount	\$ 20,000
5	Amount Outstanding	20,000
6	Amortization Payment	3,000
7	Amortization Payments Start Date	9/30/2022
8	Interest Rate	12.00%
9	Interest Rate Convention	Actual/360
10	Payment Frequency	Quarterly
11	Interest Payments Start Date	3/30/2022
12	Discount Rate	16.4% [a]

	Date	Beginning Principal	Principal Payment	Interest Payment	Total Payments	Ending Principal	Discount Factor	Present Value
13	3/30/2022	\$ 20,000	\$ 0	\$ 247	\$ 247	20,000	0.9856	\$ 243
14	6/30/2022	20,000	0	600	600	20,000	0.9486	569
15	9/30/2022	20,000	3,000	600	3,600	17,000	0.9131	3,287
16	12/30/2022	17,000	3,000	510	3,510	14,000	0.8792	3,086
17	3/30/2023	14,000	3,000	420	3,420	11,000	0.8470	2,897
18	6/30/2023	11,000	3,000	330	3,330	8,000	0.8152	2,715
19	8/23/2023	8,000	8,000	141	8,141	-	0.7971	6,490
20	<b>Total Present Value</b>							<b>\$ 19,286</b>
21	<b>Price</b>							<b>\$96.43</b>

22	Number of Warrants Issued	3,850
23	Multiplied by: Warrant Price	\$0.19
24	<b>Value of Total Issued Warrants</b>	<b>\$ 714</b>
25	Add: PV of the Senior Notes	19,286
26	<b>Total Present Value</b>	<b>\$ 20,000</b>

Source: Based on the Secured Promissory Note Agreement dated February 23, 2022.

[a] Based on discussions with management, we understand the debt transaction was arm's length. Accordingly, the discount rate is calibrated such that the total present value of the Promissory Note plus the Price of the issued Warrants is equal to the principal amount of the Note as of the issuance date.



## D. Valuation of Alternative Investments



### Secured Promissory Note Analysis (May 31, 2023)

### Exhibit D.4.4

*In Thousands of U.S. Dollars*

1	Valuation Date	5/31/2023
2	Issue Date	2/23/2022
3	Maturity Date	8/23/2023
4	Face Amount	\$ 20,000
5	Amount Outstanding	11,000
6	Amortization Payment	3,000
7	Amortization Payments Start Date	9/30/2022
8	Interest Rate	12.00%
9	Interest Rate Convention	Actual/360
10	Payment Frequency	Quarterly
11	Interest Payments Start Date	3/30/2022
12	Discount Rate	25.0% [a]

	Date	Beginning Principal	Principal Payment	Interest Payment	Total Payments	Ending Principal	Discount Factor	Present Value
13	5/31/2023	\$ 11,000	\$ 0	\$ 0	\$ 0	11,000	n/a	\$ -
14	6/30/2023	11,000	3,000	330	3,330	8,000	0.9819	3,270
15	8/23/2023	8,000	8,000	141	8,141	-	0.9500	7,734
16	<b>Total Present Value (Rounded)</b>							<b>\$ 11,004</b>
17	<i>Dirty Price</i>							<i>\$100.04</i>
18	<i>Accrued Interest</i>							<i>\$2.00</i>
19	<i>Clean Price</i>							<i>\$98.04</i>

Source: Based on the Secured Promissory Note Agreement dated February 23, 2022.

[a] Refer to Exhibit D.4.5.



## D. Valuation of Alternative Investments



### Risky Yield Analysis

### Exhibit D.4.5

*In Millions of U.S. Dollars*

Data	Notes	Calibration 2/23/2022	As of 5/31/2023
1 ICE BofA B US High Yield Index OAS		403	496
2 <i>Change in Spread</i>			93
3 ICE BofA CCC US High Yield Index OAS		745	1072
4 <i>Change in Spread</i>			327
5 <i>B - Rated Loans Spread to Maturity</i>		448	561
6 <i>Change in Spread</i>			113
7 <i>CCC - Rated Loans Spread to Maturity</i>		804	1397
8 <i>Change in Spread</i>			593
9 Market Spread Adjustment (bps)		n/a	460
10 Asset Specific Spread Adjustment (bps)		n/a	n/a
11 <b>Concluded Spread</b>	[a]	<b>14.9%</b>	<b>19.5%</b>
12 USD Swap Rate (Adjusted for Term)		1.5%	5.5%
13 <b>Concluded Yield</b>	[a]	<b>16.4%</b>	<b>25.0%</b>

Source: Bloomberg, L.P and S&P Global Leveraged Loan Index Data.

[a] Refer to Exhibit D.4.3 for calibrated yield. An adjustment is then made to the spread based on the analysis herein as of the Valuation Date.



## D. Valuation of Alternative Investments



### Equity Volatility Analysis - Issuance Date

Exhibit D.4.6

*In Millions of U.S. Dollars*

Company Name	Notes	Symbol	LTM Net Sales	LTM EBITDA	Expected Term Volatility [a]	Historical Volatilities	
						1 Year	2 Year
1 Mawson Infrastructure Group, Inc.		NasdaqCM:MIGI	\$ 43.9	\$ (4.5)	124.0%	n/a	n/a
2 <b>Selected Equity Volatility (Rounded)</b>	[b]				<b>124.0%</b>		

Source: S&P Capital IQ, Inc. Historical volatility is based on the standard deviation of log-returns from daily adjusted close prices, using a 252-trading day convention.

[a] Represents volatility over a historical time period equal to the expected term of 1.5 years. If historical data was not available over this time period, data over the maximum historical term was used.

[b] Based on Mawson's historical volatility over the expected term.



## D. Valuation of Alternative Investments



### Equity Volatility Analysis

Exhibit D.4.7

*In Millions of U.S. Dollars*

Company Name	Notes	Symbol	LTM Net Sales	LTM EBITDA	Expected Term Volatility [a]	Historical Volatilities	
						1 Year	2 Year
1 Mawson Infrastructure Group, Inc.		NasdaqCM:MIGI	\$ 72.6	\$ 1.0	70.4%	108.9%	118.0%
2 <b>Selected Equity Volatility (Rounded)</b>	[b]				<b>70.0%</b>		

Source: S&P Capital IQ, Inc. Historical volatility is based on the standard deviation of log-returns from daily adjusted close prices, using a 252-trading day convention.

[a] Represents volatility over a historical time period equal to the expected term of 0.2 years. If historical data was not available over this time period, data over the maximum historical term was used.

[b] Based on Mawson's historical volatility over the expected term.



## D. Valuation of Alternative Investments



### **Risk-Free Rates of Return**

### **Exhibit D.4.8**

Term		Notes	Yield as of 2/23/2022
1	1 Month		0.0%
2	3 Months		0.3%
3	6 Months		0.7%
4	1 Year		1.2%
5	2 Years		1.6%
6	3 Years		1.8%
7	5 Years		1.9%
8	7 Years		2.0%
9	10 Years		2.0%
10	20 Years		2.4%
11	30 Years		2.3%
<hr/>			
12	Expected Term		1.5 years
13	<b>Selected Risk-Free Rate of Return</b>	[a]	<b>1.4%</b>

Source: S&P Capital IQ, Inc.

[a] Linearly interpolated from the data above based on the expected term.



## D. Valuation of Alternative Investments



### **Risk-Free Rates of Return**

### **Exhibit D.4.9**

	Term	Notes	Yield as of 5/31/2023
1	1 Month		5.3%
2	3 Months		5.5%
3	6 Months		5.5%
4	1 Year		5.2%
5	2 Years		4.4%
6	3 Years		4.0%
7	5 Years		3.7%
8	7 Years		3.7%
9	10 Years		3.6%
10	20 Years		4.0%
11	30 Years		3.9%
<hr/>			
12	Expected Term		0.2 years
13	<b>Selected Risk-Free Rate of Return</b>	[a]	<b>5.4%</b>

Source: S&P Capital IQ, Inc.

[a] Linearly interpolated from the data above based on the expected term.



## D. Valuation of Alternative Investments



### Investment Value Analysis - Osprey Trusts

Exhibit D.5

*In Thousands of U.S. Dollars and Number of Shares, Except Value Per Share*

		<u>Notes</u>				
1	Valuation Date			5/31/2023		
<u>Investments</u>						
	Date [a]	Ticker	Name	Amount [a]	Shares [a]	Unit Price [a]
2	3/2/2021	OTCPK:OBTC	Osprey Bitcoin Trust	\$ 2,420.90	147	\$16.52
3	3/17/2021	OTCPK:OBTC	Osprey Bitcoin Trust	\$ 52,863.02	2,786	\$18.98
4	5/1/2021	OTCPK:ODOT	Osprey Polkadot Trust	\$ 3,604.00	682	\$5.29
						<b>Osprey Bitcoin Trust</b>
5	Asset Price as of May 31, 2023	[b]				\$5.81
6	Multiplied by: Total Number of Shares	[a]				2,932
7	<b>Total Fair Value of Osprey Bitcoin Trust Investment</b>					<b>\$ 17,037</b>
						<b>Osprey Polkadot Trust</b>
8	Asset Price as of May 31, 2023	[b]				\$6.50
9	Multiplied by: Total Number of Shares	[a][c]				68
10	<b>Total Fair Value of Osprey Polkadot Trust Investment</b>					<b>\$ 443</b>
11	<b>Total Fair Value of Osprey Trust Investments</b>					<b>\$ 17,480</b>
[a] Provided by management.						
[b] Source: S&P Capital IQ, Inc.						
[c] Adjusted for the reverse stock split of Osprey Polkadot Trust.						



## D. Valuation of Alternative Investments



### **Summary of Results - MATIC**

### **Exhibit D.6.1**

*In Thousands of U.S. Dollars and Number of Shares, Except Price Per Share*

	Notes	Tranche 1 - November 2023	Tranche 2 - November 2024
1 Marketable Value per Token	[a]	\$0.89	\$0.89
2 Less: Discount for Lack of Marketability	[b] 11.0%	(0.10)	30.0% (0.27)
<b>3 Indicated Value per Token</b>		<b>\$0.79</b>	<b>\$0.62</b>
4 Multiplied by: Number of Token	[c]	8,681	8,681
<b>5 Fair Value of Tokens</b>		<b>\$ 6,866</b>	<b>\$ 5,400</b>
<b>6 Total Fair Value of Tokens</b>			<b>\$ 12,266</b>

[a] Market price as of the Valuation Date.

[b] Refer to Exhibit D.6.2.

[c] Provided by management.



## D. Valuation of Alternative Investments



### **Discount for Lack of Marketability - MATIC**

### **Exhibit D.6.2**

*In U.S. Dollars*

	Notes		
		Tranche 1 - November 2023	Tranche 2 - November 2024
Finnerty Model	[a]		
1 T Term (Years)		0.46	1.46
2 $\sigma$ Volatility Factor	[b]	69.0%	154.7%
3 Indicated Put Option Value	[c]	<b>\$0.09</b>	<b>\$0.27</b>
4 Implied Discount for Lack of Marketability	[d]	<b>11.0%</b>	<b>30.0%</b>

[a] John D. Finnerty, "An Average-Strike Put Option Model of the Marketability Discount," *The Journal of Derivatives* 19 (Summer 2012): 53-69.

[b] The volatility is based on the historical volatility indicated by the token's price.

[c] Based on the average-strike put option formula as follows:

$$P = S \cdot e^{-\delta T} N(v\sqrt{T}/2) - N(-v\sqrt{T}/2)$$

$$v\sqrt{T} = \sqrt{[\sigma^2 T + \ln(2(e^{\sigma^2 T/2} - \sigma^2 T - 1)) - 2 \ln(e^{\sigma^2 T/2} - 1)]}$$

[d] Reflects the put option value divided by the asset price.



## D. Valuation of Alternative Investments



### Luxor Preferred Stock - Conclusion

Exhibit D.7

*In Thousands of U.S. Dollars and Shares*

Variables	Notes	Series A Preferred Stock	Series A-1 Preferred Stock
1 Initial Indicated Value per Share	[a][b]	\$2.48	\$2.48
2 Less: Discount for Downside Protection	[c][d]	n/a <u>n/a</u>	40% <u>(\$0.99)</u>
3 Indicated Value per Share		\$2.48	\$1.49
4 Multiplied by: Number of Shares	[a]	<u>91</u>	<u>353</u>
5 Fair Value of Share Classes		<b>\$ 225</b>	<b>\$ 525</b>
6 Fair Value of Preferred Stock Investment (Rounded)			<b><u>\$ 750</u></b>

[a] In January 2021, Celsius made a SAFE investment (the "Luxor SAFE Note") in Luxor Technology Corporation ("Luxor") of \$200,000 with a post-money valuation cap of \$8 million and a discount rate of 80%. In June 2021, Luxor issued Series A Preferred Stock to certain investors at \$2.48 per share. Celsius participated in the Series A round and purchased 90,734 Series A shares. Additionally, the Luxor SAFE Note converted into 352,858 shares of Series A-1 Preferred Stock.

[b] Given that there is no current information available, we kept the value of the Series A Preferred Stock equal to the purchase price of \$2.48 per share of the last round of financing.

[c] The Series A-1 Preferred Stock has the same rights, privileges, preferences, and restrictions as the Series A Preferred Stock, other than the liquidation preference and the initial conversion price for purpose of price-based anti-dilution protection, which will equal the Conversion Price; and the basis for any dividend rights will be the conversion price. Accordingly, to capture the difference in downside protection between the Series A and Series A-1 Preferred Stock, we applied a (preliminary) 40.00% discount to the issue price of \$2.48. The analysis will be updated upon further discussions with Celsius management.

[d] Discount subject to change upon further discussions with Celsius management.



# D. Valuation of Alternative Investments



## Summary of Results - QRDO

Exhibit D.8.1

In Thousands of U.S. Dollars and Number of Shares, Except Price Per Share

	Notes	6/2/2023	6/9/2023	6/16/2023	6/23/2023	6/30/2023	7/7/2023	7/14/2023	7/21/2023	7/28/2023	8/4/2023	8/11/2023	8/18/2023	8/25/2023	9/1/2023
1	Marketable Value per Token	[a]	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
2	Less: Discount for Lack of Marketability	[b]	2.0% (0.00)	3.0% (0.00)	4.0% (0.00)	5.0% (0.01)	6.0% (0.01)	7.0% (0.01)	10.0% (0.01)	10.0% (0.01)	11.0% (0.01)	11.0% (0.01)	12.0% (0.01)	12.0% (0.01)	13.0% (0.01)
3	Indicated Value per Token		\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09
4	Multiplied by: Number of Token	[c]	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091
5	Fair Value of Tokens		\$ 8.84	\$ 8.75	\$ 8.66	\$ 8.57	\$ 8.48	\$ 8.39	\$ 8.12	\$ 8.12	\$ 8.12	\$ 8.03	\$ 8.03	\$ 7.94	\$ 7.85
			9/8/2023	9/15/2023	9/22/2023	9/29/2023	10/6/2023	10/13/2023	10/20/2023	10/27/2023	11/3/2023	11/10/2023	11/17/2023	11/24/2023	12/1/2023
6	Marketable Value per Token	[a]	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
7	Less: Discount for Lack of Marketability	[b]	14.0% (0.01)	14.0% (0.01)	15.0% (0.02)	15.0% (0.02)	15.0% (0.02)	16.0% (0.02)	16.0% (0.02)	16.0% (0.02)	16.0% (0.02)	17.0% (0.02)	17.0% (0.02)	17.0% (0.02)	17.0% (0.02)
8	Indicated Value per Token		\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.09	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
9	Multiplied by: Number of Token	[c]	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091
10	Fair Value of Tokens		\$ 7.76	\$ 7.76	\$ 7.67	\$ 7.67	\$ 7.67	\$ 7.58	\$ 7.58	\$ 7.58	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49	\$ 7.49
			12/15/2023	12/22/2023	12/29/2023	1/5/2024	1/12/2024	1/19/2024	1/26/2024	2/2/2024	2/9/2024	2/16/2024	2/23/2024	3/1/2024	3/8/2024
11	Marketable Value per Token	[a]	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
12	Less: Discount for Lack of Marketability	[b]	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	19.0% (0.02)	20.0% (0.02)	20.0% (0.02)
13	Indicated Value per Token		\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
14	Multiplied by: Number of Token	[c]	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091
15	Fair Value of Tokens		\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.31	\$ 7.21	\$ 7.21
			3/22/2024	3/29/2024	4/5/2024	4/12/2024	4/19/2024	4/26/2024	5/3/2024	5/10/2024	5/17/2024	5/24/2024	5/31/2024	6/7/2024	6/14/2024
16	Marketable Value per Token	[a]	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10	\$0.10
17	Less: Discount for Lack of Marketability	[b]	20.0% (0.02)	20.0% (0.02)	20.0% (0.02)	21.0% (0.02)	21.0% (0.02)	21.0% (0.02)	21.0% (0.02)	21.0% (0.02)	21.0% (0.02)	21.0% (0.02)	21.0% (0.02)	24.0% (0.02)	24.0% (0.02)
18	Indicated Value per Token		\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08	\$0.08
19	Multiplied by: Number of Token	[c]	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091	88.091
20	Fair Value of Tokens		\$ 7.21	\$ 7.21	\$ 7.21	\$ 7.12	\$ 7.12	\$ 7.12	\$ 7.12	\$ 7.12	\$ 7.12	\$ 7.12	\$ 7.12	\$ 6.85	\$ 6.85
			6/28/2024												
21	Marketable Value per Token	[a]	\$0.10												
22	Less: Discount for Lack of Marketability	[b]	24.0% (0.02)												
23	Indicated Value per Token		\$0.08												
24	Multiplied by: Number of Token	[c]	88.091												
25	Fair Value of Tokens		\$ 6.85												
26	Total Fair Value of Tokens		\$ 430												
27	Unvested Tokens	[d]	5,021												

[a] Market price as of the Valuation Date.

[b] Refer to Exhibit D.8.2.

[c] Provided by management.

[d] The Tokens started being released following the expiry of a cliff vesting period of 12 months following the July 2, 2021 (the "Token Launch Date", and such period the "Cliff Period"). During the 24 month period immediately following the Cliff Period, the Tokens vest on equal tranches at the end of each weekly period following the end of the Cliff Period, such that 100% shall be vested on the day which is the 24 months following the end of the Cliff Period.



# D. Valuation of Alternative Investments



## Discount for Lack of Marketability - QRDO

Exhibit D.8.2

In U.S. Dollars

Finnerty Model		Notes	6/2/2023	6/9/2023	6/16/2023	6/23/2023	6/30/2023	7/7/2023	7/14/2023	7/21/2023	7/28/2023	8/4/2023	8/11/2023	8/18/2023	8/25/2023	9/1/2023
1	T Term (Years)	[a]	0.01	0.03	0.04	0.06	0.08	0.10	0.12	0.14	0.16	0.18	0.20	0.22	0.24	0.25
2	σ Volatility Factor	[b]	117.1%	86.9%	80.5%	86.4%	90.3%	89.7%	127.5%	120.9%	114.7%	111.2%	112.0%	116.6%	114.9%	112.9%
3	Indicated Put Option Value	[c]	\$0.00	\$0.00	\$0.00	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01	\$0.01
4	Implied Discount for Lack of Marketability	[d]	2.0%	3.0%	4.0%	5.0%	6.0%	7.0%	10.0%	10.0%	10.0%	11.0%	11.0%	12.0%	12.0%	13.0%
			9/8/2023	9/15/2023	9/22/2023	9/29/2023	10/6/2023	10/13/2023	10/20/2023	10/27/2023	11/3/2023	11/10/2023	11/17/2023	11/24/2023	12/1/2023	12/8/2023
5	T Term (Years)		0.27	0.29	0.31	0.33	0.35	0.37	0.39	0.41	0.43	0.44	0.46	0.48	0.50	0.52
6	σ Volatility Factor	[b]	118.5%	120.2%	118.0%	115.9%	115.7%	123.2%	120.3%	117.7%	115.2%	114.4%	112.2%	110.4%	112.4%	111.1%
7	Indicated Put Option Value	[c]	\$0.01	\$0.01	\$0.01	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
8	Implied Discount for Lack of Marketability	[d]	14.0%	14.0%	15.0%	15.0%	15.0%	16.0%	16.0%	16.0%	16.0%	17.0%	17.0%	17.0%	17.0%	17.0%
			12/15/2023	12/22/2023	12/29/2023	1/5/2024	1/12/2024	1/19/2024	1/26/2024	2/2/2024	2/9/2024	2/16/2024	2/23/2024	3/1/2024	3/8/2024	3/15/2024
9	T Term (Years)		0.54	0.56	0.58	0.60	0.62	0.64	0.66	0.67	0.69	0.71	0.73	0.75	0.77	0.79
10	σ Volatility Factor	[b]	120.3%	118.3%	116.4%	114.8%	113.2%	113.4%	111.9%	110.4%	109.4%	108.0%	106.7%	105.5%	106.2%	105.9%
11	Indicated Put Option Value	[c]	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
12	Implied Discount for Lack of Marketability	[d]	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	19.0%	20.0%	20.0%
			3/22/2024	3/29/2024	4/5/2024	4/12/2024	4/19/2024	4/26/2024	5/3/2024	5/10/2024	5/17/2024	5/24/2024	5/31/2024	6/7/2024	6/14/2024	6/21/2024
13	T Term (Years)		0.81	0.83	0.85	0.87	0.89	0.91	0.93	0.94	0.96	0.98	1.00	1.02	1.04	1.06
14	σ Volatility Factor	[b]	105.0%	105.5%	105.5%	105.2%	104.3%	103.3%	102.4%	101.9%	102.3%	102.6%	102.8%	102.9%	117.4%	119.7%
15	Indicated Put Option Value	[c]	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02	\$0.02
16	Implied Discount for Lack of Marketability	[d]	20.0%	20.0%	20.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	21.0%	24.0%	24.0%
			6/28/2024													
17	T Term (Years)		1.08													
18	σ Volatility Factor	[b]	119.4%													
19	Indicated Put Option Value	[c]	\$0.03													
20	Implied Discount for Lack of Marketability	[d]	24.0%													

[a] John D. Finnerty, "An Average-Strike Put Option Model of the Marketability Discount," *The Journal of Derivatives* 19 (Summer 2012): 53-69.

[b] The volatility is based on the historical volatility indicated by the token's price.

[c] Based on the average-strike put option formula as follows:

$$P = S \cdot e^{-\delta T} N(\sqrt{v}T/2) - N(-\sqrt{v}T/2)$$

$$\sqrt{v}T = \sqrt{[\sigma^2 T + \ln(2(e^{\sigma^2 T} - \sigma^2 T - 1)) - 2 \ln(e^{\sigma^2 T} - 1)]}$$

[d] Reflects the put option value divided by the asset price.



## D. Valuation of Alternative Investments



### **Summary of Results -1INCH**

### **Exhibit D.9.1**

*In Thousands of U.S. Dollars and Number of Shares, Except Price Per Share*

	Notes	Tranche 1 - June 2023
1 Marketable Value per Token	[a]	\$0.38
2 Less: Discount for Lack of Marketability	[b] 2.00%	(0.01)
3 <b>Indicated Value per Token</b>		<b>\$0.37</b>
4 Multiplied by: Number of Token	[c]	2,222
5 <b>Total Fair Value of Tokens</b>		<b>\$ 827</b>

[a] Market price as of the Valuation Date.

[b] Refer to Exhibit D.9.2.

[c] Provided by management.



## D. Valuation of Alternative Investments



### **Discount for Lack of Marketability - 1INCH** **Exhibit D.9.2**

*In U.S. Dollars*

	Notes	
Finnerty Model	[a]	Tranche 1 - June 2023
<b>1 T</b> Term (Years)		0.04
<b>2 σ</b> Volatility Factor	[b]	32.2%
<b>3 Indicated Put Option Value</b>	[c]	<b>\$0.01</b>
<b>4 Implied Discount for Lack of Marketability</b>	[d]	<b>2.0%</b>

[a] John D. Finnerty, "An Average-Strike Put Option Model of the Marketability Discount," *The Journal of Derivatives* 19 (Summer 2012): 53-69.

[b] The volatility is based on the historical volatility indicated by the token's price.

[c] Based on the average-strike put option formula as follows:

$$P = S \cdot e^{-\delta T} N(v\sqrt{T}/2) - N(-v\sqrt{T}/2)$$

$$v\sqrt{T} = \sqrt{[\sigma^2 T + \ln(2(e^{\sigma^2 T} - \sigma^2 T - 1)) - 2 \ln(e^{\sigma^2 T} - 1)]}$$

[d] Reflects the put option value divided by the asset price.



## D. Valuation of Alternative Investments



### **Orgenesis Exercised Warrant Valuation - Conclusion**

**Exhibit D.10**

*In Thousands of U.S. Dollars and Shares, Except Price Per Share*

Variables	Notes	5/31/2023
1 Share Price as of Valuation Date	[a][b]	\$1.19
2 Number of Shares	[c]	169
3 Fair Value of Purchased Shares (Rounded)		<u>\$ 202</u>

[a] Source: S&P Capital IQ, Inc.

[b] Per the Subscription Form dated March 12, 2021, and conversations with management, the Warrant has already been exercised into shares of common stock of Orgenesis, Inc. ("Orgenesis").

[c] Provided by management.



## E. Assumptions and Limiting Conditions



This valuation report is subject to the following assumptions and limiting conditions:

- In performing our analysis, we used various financial and other information provided to us by Company management or its representatives and advisors, and relied on the accuracy and completeness of this information. We have not been engaged to compile, review, or examine such information in accordance with standards established by the American Institute of Certified Public Accountants. Accordingly, we do not express an opinion or any other form of assurance thereon.
- We have been informed there are certain examiner reports filed on the Bankruptcy Court docket at Docket Nos. 1411 and 1956. We have relied, without independent investigation or verification, on the information provided to us by Company management or its representatives and advisors, including no independent investigation or verification related to the examiner reports covering any information used in our analyses, which we were directed to use by the Company management or its representatives and advisors.
- Public information and industry and statistical information have been obtained from sources we believe to be reliable. However, we make no representation as to the accuracy or completeness of such information and have performed no procedures to corroborate the information.
- For the purpose of this engagement and report, we have made no investigation of, and assume no responsibility for, the titles to, or liabilities against, the assets or equity of the Company, including, but not limited to, any contingent or environmental liabilities.
- Our conclusion of value assumes the assets and liabilities presented for the Company to us by the Company and its representatives were intact as of May 31, 2023. Any change in the level of assets or liabilities could cause a change in the values we estimated. Furthermore, we assume there are no hidden or unexpected conditions that would adversely affect the value we estimated.
- We do not provide assurance on the achievability of the results forecasted herein. Differences between actual and expected results may be material and achievement of the forecasted results is dependent on actions, plans, and assumptions of management.
- Our conclusions of value are applicable for the stated date and purpose only and may not be appropriate for any other date or purpose.
- Our services, this report (which reflects a Restricted Appraisal Report as defined by Standard 10, "Business Appraisal, Reporting" of the Uniform Standards of Professional Appraisal Practice) and the opinions expressed herein are provided exclusively for the use of the Company for the purpose stated herein, and are not to be referred to or distributed, in whole or in part, without our prior written consent. Further, the rationale for how we arrived at the opinions and conclusions expressed herein may not be understood properly without additional information contained in our internal work papers.
- The opinions expressed herein are not intended to be investment advice and should in no way be construed as such. Furthermore, this report does not constitute a "fairness opinion" or a "solvency opinion" regarding any contemplated present or future transaction.
- None of our employees who worked on this engagement has any known financial interest in the assets or equity of the Company or the outcome of this valuation. Further, our compensation is neither based nor contingent on the results of our analysis.
- Stout Risius Ross, LLC is not required to give testimony in court, or be in attendance during any hearings or depositions, unless previous arrangements have been made. We are committed to supporting the valuation report provided compensation arrangements for such additional services have been made.
- This valuation contemplates facts and conditions that were known or knowable as of the Valuation Date. Events and conditions occurring after the Valuation Date have not been considered, and Stout Risius Ross, LLC has no obligation to update our report for such events and conditions.



## E. Assumptions and Limiting Conditions



- The valuation is only to be utilized by the Company and its advisors as one input to consider in the process of reorganization and related activities. The Company and its advisors acknowledge that neither Stout's verbal conclusions nor the valuation are in any way intended for, nor may they be relied upon by, any other person or used for any other purpose without our express, prior written consent. The valuation does not constitute legal, regulatory, accounting, insurance, tax or other similar professional advice, and does not in any manner address the following: (i) the underlying business decision of the Company, its security holders, its advisors, or any other party to proceed with or effect the reorganization; (ii) the merits of the reorganization relative to any alternative business strategies that may exist for the Company or any other party or the effect of any other transactions in which the Company or any other party might have engaged; (iii) the terms of any arrangements, understandings, agreements or documents related to, or the form or any other portion or aspect of, the reorganization or otherwise; (iv) the fairness of any portion or aspect of the reorganization to the holders of any class of securities, creditors or other constituencies of the Company, or to any other party; (v) the solvency or creditworthiness of the Company or any other participant in the reorganization; or (vi) how the Company's security holders or any other person should act with respect to the reorganization.
- Further, if the reorganization is subject to stakeholder approvals, our valuation is not intended to and does not constitute a recommendation to any stakeholder of the Company as to how such stakeholder should vote in regard to the reorganization. The Company and its advisors acknowledge that Stout has not been engaged to (a) initiate any discussions with, or solicit any indications of interest from, third parties with respect to the reorganization, the assets, businesses or operations of the Company or any other party, or any alternatives to the reorganization, or (b) negotiate the terms of the reorganization.
- The parties acknowledge that Stout has not functioned as a broker or dealer with respect to the reorganization and, accordingly, has not (a) engaged in, and has not received any compensation for (i) identifying, introducing to the Company, or screening for creditworthiness, any prospective investors, lenders or other participants in the reorganization, (ii) making any offers to sell, or soliciting any offers to purchase, the Company or any other party or any securities or assets thereof, (iii) structuring the reorganization, or (iv) participating in negotiations on the reorganization with a counterparty, or (b) acted in the capacity of agent or other intermediary for, or otherwise has the authority to make representations, commitments or contracts on behalf of, the Company or any other party in connection with any reorganization.
- Stout is only responsible for the conclusions or opinions set forth in the valuation, and the valuation is further subject to the limitations, qualifications and standards of conduct set forth herein. The nature and scope of our analysis as well as the form and substance of the valuation is such as we deem appropriate. Stout makes no representation as to the adequacy or sufficiency of the valuation as to any legal matter, and it is expected that the Company and any other authorized recipient of the valuation will consult with their own counsel with respect to the valuation and its ramifications.
- The Company warrants and represents that all information provided or otherwise made available to us by or on behalf of the Company has been, to the Company's knowledge, complete and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein taken as a whole not misleading in light of the circumstances under which they are made. The Company and its advisors will promptly notify Stout in writing of any material inaccuracy or misstatement in, or material omission from, any information previously delivered to Stout. The Company further warrants and represents that any projections provided by it to us has been prepared in good faith and is based upon assumptions which, in light of the circumstances under which they are made, are the best reasonably available. The Company acknowledges and agrees that in rendering our services we are using and relying on the information provided by and on behalf of the Company without independent investigation or verification thereof by us. We assume no responsibility for the accuracy or completeness of any information provided to us by or on behalf of the Company or any other information regarding the Company or the reorganization provided or otherwise made available to us.



## E. Assumptions and Limiting Conditions



- We have not conducted a physical inspection of the Company's facilities or assets. Our valuation is necessarily based on business, economic, market, and other conditions as they exist and can be evaluated by us at the Valuation Date. It should be noted that although subsequent developments may affect our valuation, we do not have any obligation to update, revise, or reaffirm the valuation. We reserve the right, however, to withdraw, revise, or modify the valuation based upon additional information which may be provided to or obtained by us after the issuance of the valuation which suggests, in our judgment, a material change in the assumptions upon which our valuation is based.
- The valuation and any other advice rendered by, or materials prepared by, Stout, may not be submitted, distributed or filed, in whole or in part, to or with any party, governmental agency or regulatory body or authority, or summarized or quoted from, in each instance, without Stout's prior review and written approval. In addition, no reference to Stout, the services provided by Stout or the valuation or its contents (in each such case, regardless of whether Stout is referred to by name) may be made, in each instance, without Stout's prior review and written approval (including, without limitation, in any filing(s), materials distributed to the security holders or creditors of the company, financial statements, or press releases).
- By accepting this report, the client acknowledges the terms and indemnity provisions provided in the executed engagement letter and the assumptions and limiting conditions contained herein.



## F. Certifications



We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report, upon which the analysis, opinions, and conclusions expressed herein are based, are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- The data used in this report was obtained from sources believed to be reliable. All facts known to us that have bearing on the values presented in this report have been considered, and no facts of importance have been intentionally omitted herein.
- We have no present or prospective interest in the business that is the subject of this report, and we have no personal interest with respect to the parties involved.
- We have no bias with respect to the business that is the subject of this report or the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is fee-based and is not contingent upon the development or reporting of a

predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

- Our analyses, opinions, and conclusions were developed, and this report was prepared, in conformity with the Uniform Standards of Professional Appraisal Practice of The Appraisal Foundation, the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.
- The American Society of Appraisers has a mandatory reaccreditation program for all of its Accredited Senior Appraisers. The undersigned Accredited Senior Appraiser(s) are in compliance with the requirements of that program.
- Stout Risius Ross, LLC has performed services, as an appraiser or in any other capacity, regarding the business that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- In addition to the undersigned, Tiffany Chi, Carolina Capatto, Joshua Ceaser, Prasanthkumar Chunduru, Jack Wang, CFA, and Orfeas Konstantopoulos assisted in the research, analysis development, and report preparation for this engagement.

---

Harris I. Antoniadis, PhD, CFA  
Managing Director

---

Fotis Konstantinidis  
Managing Director



## G. Statement of Qualifications



Los Angeles, CA USA  
**Office:** +1.310.601.2565  
**Mobile:** +1.310.498.0194  
[hantoniadis@stout.com](mailto:hantoniadis@stout.com)

### Education

Ph.D., Chemical Engineering,  
University of California at Los Angeles  
Post Graduate Diploma, Management,  
Mediterranean Institute of  
Management, Cyprus  
Engineering Diploma, Chemical  
Engineering, National Technical  
University of Athens, Greece

### Designations

Chartered Financial Analyst (CFA)  
Financial Risk Manager (FRM)

### Practice Areas

Portfolio Valuation  
Complex Securities & Financial  
Instruments  
Corporate Tax Planning and  
Compliance  
Financial Reporting  
Predictive Economics

Harris I. Antoniadis is a Managing Director and the Complex Securities & Financial Instruments group leader with over 20 years of experience in complex securities and derivatives valuations, advance financial analytics, and risk management issues.

Mr. Antoniadis' valuation experience encompasses a broad range of asset classes, including all types of derivatives, structure products, fixed income securities, and share based awards for financial and tax reporting purposes. He has also provided valuation advisory services to public and private companies, boards of directors, and other fiduciaries in connection with strategic planning, merger & acquisition investment decisions, bankruptcy and reorganization, shareholder disputes, and other corporate, tax and litigation related matters.

Mr. Antoniadis lectured in finance at the University of Cyprus, where he developed and taught courses on Business Valuations, Corporate Financial Management and Financial Risk Management to M.B.A. students. He was also a visiting lecturer at the Mechanical and Aerospace Engineering department at UCLA.

Prior to joining Stout, Mr. Antoniadis was a Director with PwC where he led projects for the Value Analytics & Derivatives group within Valuations. Before that he worked at Houlihan Lokey, Ernst & Young, and Standard & Poor's.



## G. Statement of Qualifications



Los Angeles, CA USA  
**Office:** +1.310.601.2568  
**Mobile:** +1.310.343.2657  
[fkonstantinidis@stout.com](mailto:fkonstantinidis@stout.com)

### Education

M.S., Computer Science, University of California, Los Angeles  
M.S., Geophysics & Space Physics, University of California, Los Angeles  
B.S., Physics, Aristotle University of Thessaloniki, Greece

### Practice Areas

Blockchain & Digital Assets  
Cryptocurrency & NFT Valuation  
Blockchain Transformation  
Payment Solutions  
Crypto-based Tokenization  
Risk & Cybersecurity

Fotis Konstantinidis is a Managing Director and leads the Digital and Data Analytics Practice. He has over 20 years of academic and professional experience in digital strategy, data mining and advanced analytics, valuation of blockchain-based digital assets, and cybersecurity.

His experience includes application of statistical and machine learning methods to value cryptocurrencies and NFTs, delivery of crypto-specific operational risk assessments and support of initial coin offerings (ICOs). Fotis has developed data analytics models and prototypes to value cryptocurrency and NFTs for tax purposes and for digital asset funds. He has also experience providing statistical expertise to parties-in-interest involved in disputes and he has testified as a statistics expert in international arbitration hearings. Fotis has published several articles focused on cryptocurrencies and NFTs and presented valuation methods for digital assets in workshops and conferences.

Fotis started his career as a brain researcher applying data mining techniques to identify data patterns for patients with Alzheimer's disease. During his tenure as an executive in the payments industry (Visa and CO-OP Financial Services), he has delivered several blockchain-based solutions, enabling digital payments for cross-border transactions, smart contracts, and cryptocurrency payments. Fotis also held leadership positions at McKinsey & Company and Accenture, where he led several cutting-edge, analytics-driven digital innovation projects for Fortune 500 companies.



## G. Statement of Qualifications



Tiffany Chi is a Director in the Complex Securities & Financial Instruments group with experience in complex securities and derivatives valuations, advance financial analytics, and risk management issues.

Ms. Chi's valuation experience encompasses a broad range of asset classes, including all types of derivatives, structure products, fixed income securities, and share based awards for financial and tax reporting purposes. She has also provided valuation advisory services to public and private companies, boards of directors, and other fiduciaries in connection with strategic planning, merger & acquisition investment decisions, bankruptcy and reorganization, shareholder disputes, and other corporate, tax and litigation related matters.

Ms. Chi's experience spans a diverse client base, from regional middle-market businesses to multi-billion dollar international enterprises, private equity and pension funds, law firms, and accounting firms.

Los Angeles, CA USA  
**Office:** +1.310.601.2574  
**Mobile:** +1.626.315.8011  
[tchi@stout.com](mailto:tchi@stout.com)

### Education

M.S., Financial Engineering  
University of California, Los Angeles

M.S., Biomedical Sciences  
Icahn School of Medicine at Mount  
Sinai

B.A., Integrative Biology  
University of California, Berkeley

### Practice Areas

Complex Securities & Financial  
Instruments  
Portfolio Valuation  
Financial Reporting



## G. Statement of Qualifications



Mrs. Capatto is a Senior Vice President in the Complex Securities & Financial Instruments practice of the Valuation Advisory Group. Caro has vast experience in the valuation of complex securities and derivatives. Specifically, her experience encompasses valuing path-dependent financial instruments by using stochastic modeling techniques and Monte Carlo simulations; equity classes in private companies by considering option pricing methods; debt and related embedded derivatives by taking into account trends in the debt issuer's cost of borrowing; and other instruments like contingent considerations, options, and warrants.

Prior to joining Stout, Caro was a Senior Manager at Genova Group and, prior to that, Caro was a manager in the Complex Securities team at Ernst & Young LLP.

Los Angeles, CA USA  
**Office:** +1.310.775.2510  
[ccapatto@stout.com](mailto:ccapatto@stout.com)

### Education

M.S., Mathematical Finance with High Honors, Boston University

Licenciate (M.S./B.S.), Pure Mathematics, Universidad de Buenos Aires

Specialization, Quantitative Finance, Universidad de San Andrés

### Practice Areas

Complex Securities & Financial Instruments



## G. Statement of Qualifications



Houston, TX USA  
**Office:** +1.713.221.5152  
[jceaser@stout.com](mailto:jceaser@stout.com)

### Education

B.S., Computer Science  
University of Texas Pan American  
M.C.S Computer Science  
University of Illinois Urbana-Champaign

### Practice Areas

Management Consulting  
Artificial Intelligence

### Industry Focus

Government Agencies  
Energy & Utilities  
Healthcare & Life Sciences  
Aerospace, Defense & Transportation  
Financials

Joshua Ceaser is a Senior Vice President in the Digital & Data Analytics practice. With over 10 years' experience providing consulting services to both public and private sector clients, he has worked extensively across a broad range of industries, including healthcare, oil and gas, aerospace, utilities, and financial services.

Joshua has advised and delivered complex digital solutions to both public and private sector entities utilizing a broad range of technologies across several disciplines, including web, CRM, enterprise mobile applications, payment gateways, machine learning, and predictive analytics. He has worked closely with business and technology stakeholders to assess and architect scalable data-analytics technologies, built on the cloud (Azure, AWS) leveraging enterprise data mining tools, including Python and R/SAS.

Prior to joining Stout, Joshua held leadership positions leading AI-driven products and services at CO-OP Financial Services and lead digital transformation initiatives at HCL-Axon, Accenture, Perficient, and BearingPoint.